THE FINANCIAL POST

OF CANADA

MONTREAL, 701-702 Eastern Townships Bank Building
TORONTO, 143-149 University Avenue
REGINA, Dominion Trust Building
WINNIPEG, 34 Royal Bank Building
VANCOUVER, 2639 Third Ave. West

THE CANADIAN NEWSPAPER FOR INVESTORS

NEW YORK, 115 Broadway
CHICAGO, 607 Marquette Building
LONDON, ENG., 88 Fleet Street
PARIS, FRANCE, 31 bis Faubourg Montmartre

VOL. VII. SINGLE COPIES, 10 CENTS — PUBLICATION OFFICE, TORONTO, FEBRUARY 8 1913 — ANNUAL SUBSCRIPTION, $3.00 No 6

SECURITY REVIEW

TIGHT MONEY STILL THE DOMINATING FACTOR—PRICES WEAKER.

Annual Statements So Far As They Have Appeared Are Very Satisfactory—Prices Are Low And Stocks Generally Ought to be Higher—Intrinsic Worth Behind Them.

Trading on the stock markets in Canada has not been active, and the reason generally ascribed is that there is no money to be had. The first explanation of money scarcity is the resumption of fighting between the allies and the Turks. That is a disturbing factor, no doubt, and ties up money that would otherwise get into circulation. But it does not wholly explain the difficulty in getting money. Canadian banks have considerable money invested in New York on call loans, where rates are very easy at the present time, and there does not appear to be any tendency on the part of the Canadian banks to increase their call loans in Canada, where rates are high. It is stated that call loans in Canada are not really call loans at all. Whatever is stated counts but little when the fact is known that loans are being called and the cash is forthcoming. In the matter of meeting call loans the situation in Canada is improving. But, despite this fact, and the fact that rates are so very attractive for the time being in Canada, some of the banks are not showing much tendency to meet the legitimate requirements of the brokers.

No doubt the weakness displayed during the week, as shown in the statistical review of The Post on another page, is due to closeness—unnecessary closeness of Canadian banks. Montreal banks on the whole are at fault in this respect. Those with head offices there have a paid-up capital in the aggregate of approximately $43,000,000, and their call loans in Canada amount to under $23,000,000. Toronto banks with $1,000,000 less of capital have $8,000,000 more, or in the aggregate $31,000,000 in round figures. If New Brunswick Bank is included with those of Toronto the showing proportionately is the same. It would thus appear that the deadness of the Montreal market is due to the brokers at that point getting the same accommodation from the banks there in the matter of call loans as brokers get from the Toronto banks. Appended is a table showing the paid-up capital of the banks, the home of the head office and the amount of call loans in Canada:

(As at Dec. 31, 1912)

	Paid up Capital	Call Loans in Canada
Head Office, Montreal		
Montreal	$16,000,000	$
Molsons	4,000,000	5,407,744
Merchants	6,749,330	5,407,744
Provincale	1,000,000	1,875,386
Royal	11,560,000,	8,854,821
Internationale	1,359,833	525,4444
Hochelaga ...	3,000,000	592,378
	$43,669,163	$22,830,002
Head Office in Toronto		
Toronto	5,000,000	1,918,546
Commerce	15,000,000	9,098,625
Dominion	5,000,000	5,994,709
Standard	2,390,555	2,199,197
Imperial	6,665,126	3,587,072
Metropolitan .	1,000,000	1,372,059
Home	1,298,856	1,579,678
Sterling	1,046,850	961,203
Nova Scotia . .	4,734,390	4,248,537
	$42,135,777	$30,959,126
Head Office Elsewhere:		
B. N. A.	4866,666	2,903,726
Quebec	2,500,000	2,422,639
New Brunswick	1,000,000	1,191,702
Nationale	2,000,000	3,248,522
Union	5,000,000	2,851,764
Hamilton	3,000,000	2,363,410
Ottawa	3,841,420	1,399,639
Northern Crown	2,706,519	184,631
Vancouver ...	847,369	300,000
Weyburn	315,000	......
	$26,076,974	$16,866,033

(Continued on page 12)

RICHELIEU EARNINGS

EQUAL TO 11½ PER CENT. ON AVERAGE PAID-UP CAPITAL.

MONTREAL, Feb. 7.—Earnings of Richelieu after payment of all charges equal eleven and a half per cent. on average paid up capital for last year, or about eight and three-quarters per cent. on the ten millions stock now outstanding.

More Bell Stock.

Bell Telephone shareholders will be asked on February twenty-seventh to give directors power to issue three million seven hundred and fifty thousand additional bonds.

No New Molson Stock.

Mr. Elliot, general manager, Molsons Bank, denies that new issue of stock or increase in dividend is being considered.

BUSINESS OUTLOOK

EFFECT OF POOR RECEPTION OF LOAN ISSUES IN LONDON.

Canadian Borrowing in London Not Popular at Present — Results of Small Public Subscription to Recent Offerings Will Not Materially Affect Business Conditions — Some Excellent Signs—Farmers and Mixed Farming.

Although not constituting sufficient ground for any anxiety, nevertheless, the events of the past week cannot be ignored by business men planning for the future. It will have been noted that the important municipal loans placed on the London market, although at a price netting the investor higher returns than have been obtainable for a similar class of investment for a long time, were not favorably received by the British public. In the previous week the Edmonton, Dunvegan and Pacific Railway loan with the guarantee of the Alberta Government at its back was only taken up by the public to the extent of approximately 2½ per cent. This loan was put on the market at 90, for four per cents., a very low price. The fate of these loans indicates that the available supply of money in London is not large in proportion to demands, or otherwise the market is nervous.

The Situation in Alberta.

The demand for money is exceptionally large and clearly indicates the extent of projected capital expenditure in practically every part of the world. In so far as the almost total failure of the Alberta loan is concerned the explanation may perhaps be found in the Privy Council decision against the Province in its legal battle with the Royal Bank. The credit of the Province has undoubtedly suffered as a result of the ligitation. In the opinion of The Post there is no reason why the securities of the province should be affected from such a cause. There is no evidence of bad faith on the part of the Government and there is abundant evidence, more than there has been at any other time, of its great resources and its great future. Its cities, led by Calgary, are establishing themselves on a sound basis, and are growing in wealth at a time when all doubt has been dispelled regarding the inexhaustible and varied resources of so great a territory, and at a time when so much expenditure of capital in exploiting these resocures is bearing fruit, it is only through misconception that the credit of Alberta can suffer. The dispute with the Royal Bank is one admitting of difference of opinion. Premier Sifton did not look upon the issue in the same light as The Post, but whatever the decision might be there was never any doubt in the mind of Canadians but that every cent legitimately ventured would be taken care of. Public opinion in Alberta would insist upon that course. Alberta, however, this year will benefit from the expenditure of new capital to a greater extent than in any previous year. It is this fact that concerns business men desirous of gauging the outlook in the immediate future.

In the Turbulent East.

Events in the near East, through the resumption of hostilities between the Allies and Turkey, no doubt give rise to more nervousness in the mind of the investing public than is warranted. But the effect of siege and shot on European soil is direct and quick in closing up the money bags and stimulating the hoarding of gold.

Until this Balkan trouble is out of the way and confidence in peace obtaining some little time is established, there is but little hope of any relaxation of money conditions.

Canadian Prospects.

In so far, however, as Canadian conditions are concerned, nothing has transpired during the week to create anxiety. Fundamental financing, covering the ensuing summer, has been done. The money is in sight. This fact cannot be ignored in looking ahead. Factories find the burden of orders no less than a week ago and our railways will have more difficulty in getting men and material to carry out their plans during the coming summer than they had in financing.

Mixed Farming.

It has been noted during the last few months that farmers who have given attention to mixed farming have been able to meet their fall payments better than those who confine their operations to wheat raising. In Eastern Canada farmers owning good breeding cattle have felt the demand made upon them to an exceptional extent. From Eastern Ontario to the Maritime Provinces dealers from the West have been picking up carloads of good stock. A few weeks ago reference was made by The Post to the fact that farmers in the West were in many cases borrowing money for the purchase of breeding stock. This is a change that will in the course of a few years place the Western farmer in a better position. The price of beef is not likely to recede materially for many years, as the market for the Canadian product is widening. The export of live cattle has diminished almost to the van-

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BOND SITUATION

RECENT ISSUES IN LONDON INDICATE NEED OF CAREFUL MARKETING.

Winnipeg and Toronto Debenture Issues Subscribed 20 and 15 Per Cent., Respectively, by the Public—Purchase of 120,000 School District Debentures—Macleod's Fiscal Agents Fails to Place Issue Imperial Bank to Place Edmonton's Issue.

TORONTO.—The first week of February has been very quiet for Toronto bond dealers. Money is still tight, and brokers are unwilling to make commitments, while the serious Balkan troubles militate against the investment business. The record of sales of listed bonds for the past month illustrates the falling off in activity. In January sales totalled $57,000 par value—the lowest record made since April, 1906. The January business compares with the past three years as follows:

1913	$ 57,000
1912	150,500
1911	329,000
1910	459,500

Issues in London.

Fifteen per cent. of the Toronto debenture issue was subscribed by the public, a rather small proportion, but nevertheless not to be wondered at under present financial conditions. The subscribed portion of the new issue sold after the lists had closed a few days at a 2-point discount, and this had an adverse influence on all Colonial issues. The three-quarter of a million sterling 4½ per cent. Winnipeg debenture issue, made at par, was 25 per cent. taken by public. It was expected that Winnipeg would fare somewhat better than this, but this also is quite satisfactory when the difficulties that faced the issue are considered. The reopening of the Balkan War had its effect, but the Toronto issue coming immediately before that of Winnipeg served to destroy no doubt, more than anything else, the market for Winnipeg's annual issue. Winnipeg had been negotiating for its issue for some time, and when a favorable opportunity presented itself arrangements for the issue were made. Toronto, however, forestalled Wininpeg, and its haste in doing so may account for the civic officials' lack of definite information concerning the arrangements made with the underwriters.

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BRITISH INVESTORS AND HIGHER YIELDS ON CAPITAL

Anything Bearing Interest at Less Than Five Per Cent. Becoming Unpopular—Average Market Rate for Three Months' Bills in 1911 Was 2.9 and in 1912, 3.6—Corresponding Tendency in Permanent Investments.

In view of the higher yields expected by the British investor, a fact that is being brought home to the Canadian borrower, the tables given below will be of interest. They are taken from the Economist, and are prepared to show the demand for a higher return on capital as between 1911 and 1912.

"During the past year," says the journal referred to, " the return to capital has been rising, owing to the prosperity of trade. This is illustrated, so far as floating capital is concerned, by the fact that the average market rate for three months' bills was £3 12s 7d in 1912, compared with £2 18s 5d in 1911. The corresponding tendency in regard to more permanent investments is to be seen in the following tables, in which debenture capital is analyzed according to its yield at the price of issue:—

Debentures—Bonds Bearing Fixed Rates

Yield %	1911	1912
3½ ....£	80,000	
3¼ to 4	26,060,400	£10,880,100
4 to 4½	25,994,200	27,201,600
4½ to 5	30,405,800	20,722,800
5 to 5½	32,765,200	49,052,400
5½ to 6	7,407,700	9,637,100
6	5,714,700	4,614,300
	128,428,000	122,108,300

The feature of this table is the decline in the amount issued with a yield of less than 4 per cent., and the very big increase in the amount issued at rates between 5 and 5½ per cent. The average consequently works out at 4.9 per cent., compared with 4.6 per cent. a year ago.

The corresponding table of preference shares gives the following distribution at various rates of interest:—

Preference Stocks and Shares.

Yield %	1911	1912
4 ....£	810,000	
4 to 4½	685,000	£ 4,060,000
4½ to 5	3,630,400	6,729,500
5 to 5½	3,988,200	1,442,800
5½ to 6	7,068,600	9,766,000
6 to 7	2,321,500	4,585,900
7	2,479,200	1,182,600
	$20,982,900	$27,766,800

This table shows that while there has been an increase in the amount raised between 5½ and 6 per cent., there has also been a still larger increase in the flotations between 4 and 5 per cent. The average is, therefore, 5.3 against 5.75 a year ago. But this result is largely the consequence of a single item of £3,000,000 raised at 4½ per cent.

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DECLINE IN LONDON PRICES OF CANADIAN INDUSTRIALS

SOME NOTABLE EXCEPTIONS—ALL OTHER SECURITIES HAVE DEPRECIATED TO CORRESPONDING EXTENT.

London Journal Criticizes Canadian Complaints As To Reception Accorded Offerings From Dominion—Some Healthy Criticism of Flotations and of Statements Issued—"Getting Big" Quickly.

Some Canadian newspapers, says the Economist, have been complaining lately of the coldness of the British investor towards Canadian securities generally, and more particularly in the case of Canadian industries. As a matter of fact, the British capital found for Canada of late years has been and still is on a prodigious scale. But still the complaints existed, and they are seemingly founded upon the theory that the investment has been very profitable for all parties, and that the British investor ought not to exercise any discrimination in developing the Empire. Let us try to examine the matter fairly. The prices of high-class Canadian issues have certainly fallen, but so have all first-class investments. Other Colonial Governments and municipalities have had to borrow at much higher rates than they have paid on previous occasions—the Australian States have renewed loans at 4 per cent. But there has been a very striking advance in the rates which Canadian municipalities have been willing to pay in London. Moose Jaw and Saskatoon, which about a year ago were offering 4½ per cent. stock, have issued additional loans at 5 per cent. It is said that Canadians themselves have put much capital into Canadian industry; if, therefore, there is money in Canada available for investment, surely a Canadian municipality ought to be able to get money at less than 5½ per cent., for a 5 per cent. issue in London means that approximately this rate is paid by the borrowers. We sometimes fear that in their anxiety to "get big" quickly the small Western towns are basing their calculations on increases of population as rapid in each of the next ten years as in the past two or three, and are equipping themselves with roads, sewers, lighting and water plants, and schools, on a too generous scale.

The share that the British investor has taken in Canadian industrials is not very large as compared with the total amount of British capital invested in Canadian securities as a whole, the proportion having been estimated at about one-fifth. Canada has had its slumps in the past, though it is not the memory

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BANK OF MONTREAL

(ESTABLISHED 1817)

INCORPORATED BY ACT OF PARLIAMENT

CAPITAL PAID UP	$16,000,000.00
REST	16,000,000.00
UNDIVIDED PROFITS	802,814.94

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Province of New Brunswick. Northwest Provinces.
Province of British Columbia.

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Savings Departments connected with each Canadian Branch and interest allowed at current rates.
Collections at all points of the world undertaken at most favorable rates.
Travellers' Cheques, Limited Cheques and Travellers' Letters of Credit issued negotiable in all parts of the world.
This Bank, with its Branches at every important point in Canada, offers exceptional facilities for the transaction of a general Banking business.

THE MERCHANTS BANK OF CANADA

Established 1864 *Head Office, MONTREAL*

President—Sir H. Montagu Allan, C.V.O.
Vice-President—K. W. Blackwell.
General Manager—E. F. Hebden.

Paid up Capital	$6,747,680
Reserve Fund and Undivided Profits	6,559,478

187 Branches and Agencies in Canada, extending from the Atlantic to the Pacific.

A General Banking Business Transacted.

Special Attention given to Collections, Savings Bank Department at all branches.
Commercial and Travellers' Letters of Credit issued, available and payable, respectively, in all parts of the world.
Travellers' Cheques issued in convenient denominations, payable at par throughout the world.

Toronto Branch A. B. Patterson, Manager

Head Office, Montreal.

THE MOLSONS BANK

CAPITAL PAID UP,	$4,000,000
RESERVE FUND,	4,700,000

JAMES ELLIOT, General Manager

85 BRANCHES THROUGHOUT CANADA

ROYAL CANADIAN AGENCIES, Limited

(Members Winnipeg Stock Exchange)

DIRECTORS:
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High Class Investments.

800 UNION TRUST BUILDING - - - - - WINNIPEG, CANADA.

THE METROPOLITAN BANK

Capital Paid Up	$1,000,000.00
Reserve Fund	$1,250,000.00
Undivided Profits	$ 181,888.26

HEAD OFFICE - TORONTO

S. J. MOORE, President W. D. ROSS, General Manager

A General Banking Business Transacted

The Weyburn Security Bank

HEAD OFFICE, - WEYBURN, SASK.

TEN BRANCHES IN SASKATCHEWAN

Authorized Capital: $1,000,000

DIRECTORS:—Alex. Simpson, Pres., Wheaton, Minn. Jos. Mergens, Vice-Pres., Weyburn, Sask. J. A. McBride, Weyburn, Sask. Frank Moffet, Weyburn, Sask. H. N. Morphy, Weyburn, Sask. S. E. Oscarson, White Rock, S.D. H. O. Powell, Gen.-Mgr., Weyburn, Sask.

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BROKERS OPINIONS

A Strain On World's Capital.

"It is highly interesting to attempt to analyze the causes that account for the prevailing conditions of inactivity, and to determine which seem to be fundamental and which of passing influence. We have had a period of extraordinary business activity, a record breaking output of iron and copper, combined with the largest production of crops in our history. Despite this we find that the average price of twenty standard railroads and of twelve standard industrials is almost exactly on a parity with that of a year ago, and the average level of high grade bonds shows a substantial decline. In our opinion there are two factors of fundamental importance that afford real explanations of this phenomenon:

First, the fact that the business of the world has increased to an extent that has put a serious strain upon the existing supplies of capital.

Second, the fact that the fear of the so-called social unrest, and its attendant political consequences, acts as a strong curb upon speculation and upon the purchase of securities.

Of these two influences, the former seems to us the more important. The fact that commodity prices, according to the London Economist's Index Number, have shown an advance of almost 25 per cent. since 1908; that the price of labor is steadily mounting up, and that so high a price must now be paid for new supplies of capital, is a clear indication of the strain that exists. This is further borne out by the large flotations of new securities, which last year amounted in this country to over $2,250,000,000, without including municipal securities, with the result that investors have had plenty of material from which to choose, without bidding up the established issues. The serious question is what the outcome will be, so far as concerns this demand for fresh capital, and the consequent insurance of new securities."—Spencer Trask & Co.

TRUSTS AND GUARANTEE CO.

The Trusts and Guarantee Company whose annual meeting occurred last week, earned $117,906 net profits, an increase of nearly 8 thousand over last year. This is 8.7 per cent. on paid up capital. The total assets of the company amounted to $11,146,006 as compared with $10,123,169 last year. The following table shows net profits and paid up capital since 1904:

Year.	Paid-up Capital.	Net Profits.
1905	$1,037,883.71	$ 68,002.67
1906	1,063,485.59	79,234.22
1907	1,120,002.22	86,009.87
1908	1,154,484.92	89,729.60
1909	1,251,109.57	97,590.55
1910	1,303,359.57	104,869.91
1911	1,321,862.97	110,194.42
1912	1,344,900.66	117,906.75

A WORTHY RECORD.

One of the most general forms of investment at the present time is in Life Assurance. An impression prevails, though not to the extent it did years ago, that insurance was some form of gambling with realties so serious as life and death. Happily through the activity of the various life companies a change in public opinion has been wrought and now the average man looks upon taking out adequate life assurance as a duty. This is the proper way to look at it. As in other things the world had to be educated to the wisdom and the thrift of this particular form of investment. There have been abuses of it, as of everything else. As we find it in Canada the life assurance enterprise is clean and reliable and perhaps this is the reason why so large a percentage of the Canadian people are insured.

From a very handsome pamphlet issued by the Mutual Life, something is learned of the history of that Company. The main facts indicate that the business of life insurance was regarded in the proper light by the founders of the Mutual. For instance, to quote from the pamphlet referred to:

"The Charter provided that before commencing business, 500 bona fide applications for policies amounting to not less than $500,000 must be written and accepted. Little difficulty was experienced in obtaining that amount, and the first policy was issued on March 1st, 1870, on the life of James W. Dodds. The first annual meeting was held on the 15th of February, 1871, and the following extract from the minutes of that meeting indicates the purpose of the incorporators:—

We were led to entertain the project of establishing a Life Assurance Company based upon purely mutual principles, believing it highly desirable that the benefits of life assurance should be extended as widely as possible, and at the cheapest rates compatible with safety to the assured."

Though established on a purely mutual basis the Mutual Life is now by virtue of its size practically on the same plane as its many rivals. The stock element in the larger companies is not considerable and regulation at the hands of the government protects the policy holders.

Though but on the threshhold of its national growth, Canada has in the Mutual, and many other similar corporations, a structure with roots so well seasoned by experience, and so well nourished by careful management, as to inspire confidence in the base on which the financial superstructure is erected.

EUROPEAN SITUATION.

London, January 25th—Considerable satisfaction followed the intimation of Turkey's determination after considerable and inevitable procrastination to allow the Powers to arbitrate with the Balkan States on her behalf, but hesitation has again been created by subsequent events in Constantinople, and this week-end markets are very depressed. It is, however, confidently anticipated that the Balkan's trouble will be presently surmounted, and with relaxation of political tension there should be some hope of a return of interest to the stock markets. Although a release of the large sums hoarded during the last few months by Continental peoples in sheer fear of war may occur, there is, however no prospect of cheap money, and no real decided market improvement therefore seems in prospect. Brazil and Germany are adding to their gold reserves persistently for well understood reasons, and while India's demand for gold will continue heavy, less assistance in meeting it will be forthcoming from Australia than hitherto. The gold drain on London will therefore be maintained, and our bank reserve still over £2,000,000 less than a year ago will remain depleted. While such conditions prevail, I fail to see any prospect of a reduction in the English Bank rate. It is in fact eminently desirable that the open market here should assist the Bank of England in maintaining discount rates. Consols have maintained their price remarkably well in spite of political and monetary difficulties, but this is due largely to the continued purchases on behalf of the Sinking Fund and the Insurance Act commissioners, and these factors will not continue to operate to the same extent as they have recently. Some shading off in Consols and in other stocks of the gilt-edged group, bearing fixed interest and not definitely repayable at a future date would seem inevitable presently.

THE STANDARD TRUSTS CO.

Capital To Be Increased—Large Proportion Of Reserve.

Twenty-one per cent. on paid-up capital is the record of the Standard Trusts Co. for the year ending Dec. 31. This is the best year since the company was incorporated in 1902. According to the custom of the company a large portion of net earnings were transferred to reserve fund, which now stands at $262,500 or over one half of paid-up capital. It is proposed to increase the paid-up capital by $250,000 shortly. The following table shows movement of earnings, reserve and capital.

Year.	Net earnings.	*Reserve.	Paid-Up Capital.
1903	$ 1,856	....	$ 52,762
1904	5,954	4,000	57,162
1905	15,794	8,500	138,886
1906	20,900	12,500	159,069
1907	25,419	15,000	172,174
1908	33,991	20,000	213,033
1909	49,721	30,000	300,000
1910	76,319	50,000	500,000
1911	100,051	60,000	500,000
1912	104,982	62,500	500,000

*Transferred to reserve from earnings.

EARLY ENGLISH MERGERS.

Major Currie of North Simcoe had some strong things to say regarding bank mergers. Here is one of them:

"Mergers! I can hear that cry when I am going home at night; I can hear the boys saying, 'Mergers.' We have mergers on the brain. The process of merging has been going on from time immemorial. The history of England shows that. When all property was in land, they had mergers. A man's son married his neighbor's daughter and they merged the two farms."

JUDICIOUS INVESTMENT

The cardinal principles of sound investment are Ample Security, Fair Rate of Income, Broad Market and Probable Appreciation in Value.

We shall be pleased to forward particulars of Bonds fulfilling these fundamental requirements.

ROYAL SECURITIES CORPORATION, LIMITED

Montreal Toronto Quebec Halifax
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GRAND TRUNK RAILWAY SYSTEM

Are You Going West?

The Grand Trunk Pacific Railway is the shortest and quickest route between Winnipeg, Saskatoon, Edmonton.

Fast trains leave Winnipeg at:

6.00 p.m. Daily
8.45 a.m. Daily Except Sunday

—FOR—

Portage la Prairie, Rivers, Melville, Regina, Watrous, Saskatoon, Tofield, Camrose, Wainwright, Edmonton

Smooth Roadbed

Electric lighted sleeping cars. Superb dining car service.

Ask nearest Grand Trunk Agent for full information, literature, etc., or write A. E. Duff, D.P.A., G.T.R., Toronto, Ont.

Dominion Trust Co.

Limited

Head Office, - VANCOUVER B.C.

Branches:—Vancouver, B.C., Victoria, B.C., Nanaimo, B.C., New Westminster, B.C., Calgary, Alta., Regina, Sask., Montreal, Que., London, England, Antwerp, Belgium.

Subscribed Capital	$2,400,000
Paid-Up Capital	1,800,000
Reserve and Undivided Profits	750,000

Acts as executor, trustee, guardian, transfer agent, trustee for bond holders, agent for the investment of funds, and all other trust capacities. Loans money for clients on first mortgages on improved real estate in amounts not exceeding 50 per cent. of conservative valuations, netting the investor 6 to 7½ per cent.

Deals in municipal and industrial debentures.

W. R. ARNOLD, Managing Director.

TO ACQUIRE $1,000

or $10,000, according to your means, is not difficult if you put aside a certain amount of your income each month in the right place.

The purchase of good Canadian securities by our *Periodical Payment Plan* gives you the means of doing this to your greatest advantage.

A post card to us will bring you our booklet on the subject.

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Your slow and doubtful book accounts—HAND them to the COLLECTION DEPT. of The Mercantile Agency.

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The Collection Service, which has been proved most satisfactory by all users of it is open to reference book subscribers—subscriptions and collection rates on application.

OVER SEVENTY YEARS' RECORD OF EFFICIENCY

THE CANADIAN BANK OF COMMERCE

PAID-UP CAPITAL, $15,000,000 **REST, - - $12,500,000**

BOARD OF DIRECTORS:

Sir Edmund Walker, C.V.O., LL.D., D.C.L., President
Z. A. Lash, Esq., K.C., LL.D., Vice-President
Hon. George A. Cox
John Hoskin, Esq., K.C., LL.D.
J. W. Flavelle, Esq., LL.D.
A. Kingman, Esq.
Sir Lyman Melvin Jones
Hon. W. C. Edwards
Frank P. Jones
E. R. Wood, Esq.
Sir John M. Gibson, K.C.M.G., K.C., LL.D.
William McMaster, Esq.
Robert Stuart, Esq.
G. F. Galt, Esq.
H. J. Fuller, Esq.
Alexander Laird, Esq.
William Farwell, Esq., D.C.L.
Gardner Stevens, Esq.
George G. Foster, Esq., K.C.
Chas. Colby, Esq., M.A., Ph.D.
A. C. Flumerfelt, Esq.
George W. Allan, Esq.

ALEXANDER LAIRD, General Manager
JOHN AIRD, Assistant General Manager

The Canadian Bank of Commerce having branches in all the important towns and cities throughout Canada, as well as in he United States, England and Mexico, offers unsurpassed facilities for the transaction of every description of banking business.

THE DOMINION BANK

SIR EDMUND B. OSLER, M.P., President
W. D. MATTHEWS, Vice-President

C. A. BOGERT, General Manager

Capital paid up - - - - - $ 5,000,000
Reserve Fund - - - - - $ 6,000,000
Total Assets - - - - - $76,000,000

Collections at Home and Abroad

Manufacturers, Wholesalers, and others, are assured of careful attention and prompt remittances when they place drafts and notes in the Dominion Bank for collection. Branches in all parts of the Dominion and in London, England—with correspondents throughout the commercial world.

THE BANK OF OTTAWA

DIVIDEND NO. 86.

Notice is hereby given that a dividend of Three per cent., being at the rate of Twelve per cent. per annum upon the paid up Capital Stock of this Bank, has this day been declared for the current three months, and that the said dividend will be payable at the Bank and its branches on and after Saturday, the First day of March, 1913, to shareholders of record at the close of business on the 15th February next.

By order of the Board,

GEO. BURN, General Manager.

Ottawa, Ont., Jan. 20th, 1913.

THE BANK OF BRITISH NORTH AMERICA

Established in 1836. Incorporated by Royal Charter in 1840

Paid-up-Capital, $4,866,666.66. Reserve Fund, $2,774,000.00

Head Office—5 GRACECHURCH STREET, LONDON.

HEAD OFFICE IN CANADA, St. James Street, MONTREAL.

H. B. MACKENZIE - General Manager.

NINETY OFFICES IN NORTH AMERICA

INCLUDING

NEW YORK, SAN FRANCISCO, and DAWSON, Y.T.

Agents for the Colonial Bank, West Indies.

Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued, negotiable in all parts of the world.

SAVINGS DEPARTMENT AT ALL BRANCHES

The Standard Loan Company

We offer for sale debentures bearing interest at FIVE per cent. per annum, payable half-yearly. These debentures offer an absolutely safe and profitable investment, as the purchasers have for security the entire assets of the Company.

Capital and Surplus Assets, $1,400,600.00. Total Assets, $2,800,000.00

President: J. A. KAMMERER, 1st Vice-President and General Manager: W. S. DINNICK, Toronto. 2nd Vice-President: Hugh S. Brennen, Hamilton. Directors: Right Hon. Lord Strathcona and Mount Royal, G.C.M.G., David Ratz, R. H. Greene, W. L. Horton, A. J. Williams.

Head Office: Corner Adelaide and Victoria Streets, Toronto

ROLPH AND CLARK

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BANK FORMS—LETTER PAPER—CALENDARS, ETC.
NATIONAL SAFETY PAPER

COR. SIMCOE AND PEARL STREETS - - TORONTO

JANUARY BUILDING PERMITS

INCREASE FOR MONTH OVER JANUARY, 1912, IS SEVENTY-FIVE PER CENT.

All of the Large Cities Show Big Increases Over Those of January, 1912—Vancouver Has Largest Total and Largest Actual Increase—A Good Record for Beginning of Year.

The following preliminary statement of building permits granted in Canadian municipalities during January, indicates that when fuller returns are available, the showing for the month will be good. A number of the smaller places had negligible totals last year, and this year show extraordinary gains. St. John is one of those which had a low total last year, but the permits granted there during January totalled over half a million dollars, which is but $150,000 less than the total for the whole of 1912.

Vancouver Leads in Total.

It is interesting to note that all of the large cities whose returns are available have passed their 1912 mark. Montreal shows an increase of 68 per cent. Toronto, with an increase of over half a million, an advance of 65 per cent.; Winnipeg, 9 per cent.; Vancouver, with a total of $1,950,044, an actual increase of a million and a quarter, or 178 per cent.; Ottawa an increase of 16 per cent.; Hamilton, 4 per cent.; Edmonton, an advance of 189 per cent.; Regina, 208 per cent.; and Saskatoon, 392 per cent.

Swift Current has a remarkably large total, permits aggregating $340,000.

The Building Inspector of Montreal, Mr. Alcide Chaussé, adds the following to his report for the month: "Building operations for 1913 will be about $30,000,000."

PRELIMINARY STATEMENT OF BUILDING PERMITS GRANTED IN JANUARY.

City—	1913.	1912.	Inc.	%
Berlin	$ 28,250	$ 7,950	$ 20,300	255
Brantford	18,375	36,725	*18,350	49
Guelph	6,350	650	5,700	876
Hamilton	151,500	144,800	6,700	4
Kingston	5,215	110	5,105	4640
London	13,910	18,717	*4,807	25
Montreal	458,600	272,490	186,110	68
Ottawa	91,100	78,135	12,965	16
Peterboro	5,400	3,035	2,365	75
St. John	509,100	5,900	503,200	8528
Toronto	1,276,084	774,165	501,919	65
Welland	15,310	7,735	7,575	98
Windsor	25,925	22,500	3,425	15
Edmonton	241,815	83,600	158,215	189
Fort William	273,300	455,450	*182,150	39
Lethbridge	123,200	9,205	113,995	1235
Macleod	3,000	15,690	*12,690	80
Nanaimo	6,300	13,000	*6,700	51
New Westminster	33,725	111,288	*77,563	69
Point Grey	67,500	51,500	16,500	32
Port Arthur	7,650	15,130	*7,480	49
Prince Albert	4,950	225	4,725	2100
Red Deer	1,700	1,450	250	17
Regina	71,450	23,180	48,270	208
Saskatoon	68,420	13,880	54,540	392
South Vancouver	58,530	157,075	*98,545	62
Vancouver	1,950,044	700,377	1,249,667	178
Winnipeg	382,100	349,400	32,700	9
Total 13 Eastern cities	2,605,119	1,371,912	1,233,207	90
Total 15 Western cities	3,293,584	1,980,450	1,313,134	66
Total East and West	$5,898,703	$3,352,362	$2,546,341	75
Maisonneuve	88,000			
Sudbury	3,300			
Swift Current	341,814			
Weyburn	300			
Yorkton	5,100			
	$6,337,217			

*Decrease.

Twenty-eight municipalities show an increase over 1912 of 75 per cent. This is a larger rate of gain than was shown by the first month in 1912, the increase on total then being but 24 per cent.

VICTORIA.

Victoria's building permits for January are $415,980. This is an increase of $96,095 over the corresponding month last year, when the total was $319,885

A Land Show at Winnipeg.

It has been decided to hold a land show in Winnipeg during December of the present year. The direction of this event will be in the hands of a body composed of representative men from different business organizations of the city and this body will be under the chairmanship of Mr. Bruce Walker, the immigration commissioner. Just what a land show is may require some explanation. From a circular sent out by the Winnipeg Industrial Bureau it would appear that a land show is an exposition that sets out what the land of the West, in this particular case, can produce and what is being produced. It is not to be purely a local event. Winnipeg business men appear to realize fully that Winnipeg has a duty to perform for the whole West. With this idea in view the members of the land show board will invite the co-operation of every district in the West to participate in this show and make a demonstration of the resources of their particular districts.

The selection of September as the date for holding this land show is quite a happy one. No doubt the men of Winnipeg know quite well that during that month there are in Winnipeg many men from all over the world who come to see the wheat fields with their own eyes. These visitors will be much interested in an event, the features of which are thus officially outlined:

A feature of the show will be lectures by agricultural experts and others whose qualifications and experience entitle them to a hearing on all subjects akin to development and progress of the West. To advertise the event there will be a grand harvest festival and street carnival. This will take the form of an elaborate and magnificent illuminated pageant with lighted floats, etc., which will be run through the principal streets of the city every evening during the show week. The object of the Land Show will be to provide the farmer, the homeseeker and investor with complete and authentic information regarding the worth and wealth of the agricultural West, in all sections of the country, and to provide the student and the layman with educational knowledge pertaining to the wonderful progress now being made in the settlement and cultivation of the fertile prairies. To make the show thoroughly representative of the West, opportunity will be afforded Western boards of trade and publicity organizations to demonstrate the particular advantages of their various sections: the railway companies, the Dominion and provincial governments, land and irrigation companies and farmers development organizations will be invited to co-operate. As well as the products of the soil, the resources of the forests, mines, lakes and rivers, will be represented.

MONTREAL AND ST. LAMBERT TERMINALS.

MONTREAL.—The financial statement of the Montreal and St. Lambert Terminal Development Co. for the year ending December 31st shows that land sales aggregated $238,540, an average of $330 per lot for each of the 722 lots disposed of.

In 1912 the company redeemed more bonds than in any other year and has now provided for the redemption of the entire issue. There are at present outstanding some $232,200 bonds. Surplus of assets over liabilities at the end of the year amounted to $42,531, making total assets of $596,796.

The following board of directors was re-elected: Messrs. A. G. B. Claxton, K.C., President; E. B. Greenshields, vice-president; J. Godfrey Bird, managing director; W. Wainwright, H. W. Beauclerk, Frank Scott, and E. A. Mumford, secretary-treasurer.

TOOKE BROS.

MONTREAL.—Earnings of the Tooke Bros. for the first eight months of their new fiscal year have been considerably greater than the corresponding eight months of last year. Sales show an even greater increase, for January alone a gain of forty per cent. being registered.

The Canadian Agency Limited

Princes Street (Bank)
LONDON, - ENGLAND

GOVERNMENT, MUNICIPAL and CORPORATION BONDS and DEBENTURES bought and sold.

Issues made in London.

Bankers:
Bank of Montreal Parr's Bank, Limited
Messrs. Glyn, Mills, Currie & Co.

High-Grade Industrial AND Corporation Bonds

A. H. Martens & Co.

(Members Toronto Stock Exchange)
Investment Brokers
14 King Street, East,
TORONTO - ONTARIO

FOUNDED IN 1860

La Banque Nationale

Capital $2,000,000.00
Reserve Fund. $1,400,000.00
95 Offices in Canada
BRANCH IN PARIS
14, rue Auber

Issues Travellers' Cheques payable all over the world.

Ask for descriptive booklet.

Chief Office for Canada, TORONTO.

LONDON & LANCASHIRE FIRE INSURANCE COMPANY

ALFRED WRIGHT, MANAGER.

Place the collection of rentals and interest in our hands for prompt and thorough attention.

Expert management of all Estate matters

The Title & Trust Co.

CORNER BAY and RICHMOND STS.
Financial Agents, Executors, Trustees, etc.

THE UNION TRUST CO. LIMITED

Head Office and Safety Deposit Vaults
TEMPLE BUILDING - TORONTO

Branches: Winnipeg, Man., 315 Portage Ave.
London, Eng., 75 Lombard Street

Capital Paid up - $1,000,000
Reserve Fund - $ 750,000
Assets, Trust Funds & Estates $13,517,011

Board of Directors—Charles Magee, President. Hon. Elliott G. Stevenson, E. E. A. DuVernet, K.C., Vice-Presidents; Samuel Barker, M.P., H. H. Beck, T. Willes Chitty, Henry F. Gooderham, Right Hon. Lord Hindlip, Charles H. Hoare, S. F. Lazier, K.C., George S. May, J. H. McConnell, M.D., J. M. McWhinney, Sir George W. Ross, H. S. Strathy.

Chartered Executor, Administrator, etc. Agents for sale and management of estates.

4 per cent. Interest paid in Savings Department, subject to cheque.

Money Loaned on Real Estate.

Correspondence Invited

GEO. A. KINGSTON, Assistant Manager. J. M. McWHINNEY General Manager.

THE BANK OF TORONTO

Incorporated 1855.

HEAD OFFICE, TORONTO, CAN.

PAID-UP CAPITAL $5,000,000
RESERVED FUNDS $6,176,578

BUSINESS PEOPLE are offered the advantage of our many years of experience, our ample resources, wide connections, complete facilities in every department, and careful consideration of their best interests at all times.

DIRECTORS:

DUNCAN COULSON - - - - - - President
W. G. GOODERHAM, Vice-Pres., J. HENDERSON, 2nd Vice-Pres.

Robert Reford — John Macdonald — Lt.-Col. F. S. Meighen
Hon. C. S. Hyman — Lt.-Col. A. E. Gooderham — J. L. Englehart
William Stone — Nicholas Bawlf

THOS. F. HOW, General Manager. T. A. BIRD, Chief Inspector.

BANKERS:

LONDON, England - - - London City and Midland Bank, Limited
NEW YORK - - - - - - National Bank of Commerce
CHICAGO - - - - - - - - First National Bank

ST. JOHN

The natural resources and geographical position of the Province of New Brunswick are attracting world-wide attention. The advantages of St. John as a manufacturing centre, on account of all the materials required by a manufacturing city being found within a radius of 100 miles, and its unexcelled transportation facilities, are unsurpassed. There will be a great influx of immigrants to New Brunswick this spring. No one dare predict the height real estate values will reach next summer. Buy now and take advantage of the rapid rise in realty values which inevitably occurs in the growth of a great city. We have acreages, sub-divisions, and inside property which we personally recommend to investors. We solicit your correspondence.

ARMSTRONG & BRUCE, REAL ESTATE BROKERS : :

85 Prince William St. ST. JOHN, N.B.

The new and handsome home of the Fort William branch of the Union Bank of Canada located at the corner of Victoria Avenue and May Street and costing, approximately, $120,000, will be ready for occupancy in the course of a few days.

Metropolitan Bank Meeting

The annual meeting of the Metropolitan Bank was held last week at the head office with S. J. Moore, president, acting as chairman. The statement of the bank for the year ending December 31st, as published in the newspapers at that time, was read, and unanimously adopted by the shareholders present. W. D. Ross, general manager, made some comments on the statement, and received a vote of thanks in recognition of his work. The retiring directors were re-elected, as follows: S. J. Moore, Sir W. Mortimer Clark, K.C., James Ryrie, D. E. Thomson, K.C., John Firstbrook and W. D. Ross.

LARGE NUMBER of SHARES
WESTERN ASSURANCE CO.
COMMON STOCK FOR SALE

Apply Box 431, Financial Post of Canada, TORONTO.

THE CANADA LIFE Assurance Company

IN 1912 ENJOYED

A Record Year for Growth in Strength and Size

FINANCIAL STATEMENT

From the 66th Annual Report as at 1st of January, 1913

ASSETS.

Government, Municipal and other Bonds, Stocks and Debentures	$19,060,604.52
Mortgages on Real Estate	16,856,726.27
Loans on Policies	6,975,018.69
Real Estate Owned—(including the Company's Buildings in Toronto, Montreal, Hamilton, Ottawa, St. John, Winnipeg, Regina, Edmonton, Calgary, Vancouver and London, England)	3,028,899.73
Loans on Bonds, Stocks, etc.	152,505.77
Premiums in Transit and Deferred (net)	739,669.73
Interest and Rents Accrued	996,552.36
Other Assets	310,164.00
Cash on Hand and in Banks	181,382.42
	$48,301,523.49

LIABILITIES.

Reserve Fund (Hm. 3½% and 3%)	$41,549,930.00
Death Claims in course of Settlement	309,700.40
Instalment Claims Fund	180,346.50
Dividends to Policyholders in course of Payment	25,751.75
Reserve for Policies which may be Revived	114,628.00
Other Liabilities	147,471.59
Total Surplus on Policyholders' Account (Hm. 3½% and 3%)	5,973,695.25
	$48,301,523.49

RECEIPTS.

Premium Income (net)	$ 5,153,994.79
Interest, etc.	2,242,764.95
	$ 7,396,759.74

PAYMENTS.

Death Claims (including $119,337.50 for Bonus Additions)	$ 1,618,269.76
Matured Endowments (including $39,930.15 Bonus Additions)	380,026.15
Dividends paid Policyholders (exclusive of Bonus Additions)	115,365.72
Surrender Values of Policies	262,861.50
Paid Annuitants	86,441.67
Total paid to Policyholders	$ 2,462,964.80
Commission, Salaries, etc.	$ 763,868.41
Taxes, Gov't Fees, Stock Div., etc.	399,021.21
Excess of Receipts over Payments	3,770,905.32
	$ 7,396,759.74

The CONTINUED INCREASE IN SURPLUS EARNED by the CANADA LIFE in 1912 is due to these three factors:

A SUBSTANTIAL GAIN IN INTEREST EARNINGS.
A SATISFACTORY MORTALITY RATE.
A LOW EXPENSE RATIO.

A FEW OUTSTANDING FACTS

THE SURPLUS EARNED in 1912 was $1,530,667, the greatest in the Company's history.

THE INCOME amounted to $7,396,760, a material increase over that of any previous year.

THE ASSETS were increased by $4,044,182, the greatest growth in any year. TOTAL ASSETS $48,301,523.

THE NEW PAID-FOR POLICIES amounted to $15,512,339, exceeding the best previous year in the Company's history by over $3,000,000. TOTAL ASSURANCES IN FORCE are for $144,877,970.

THE INTEREST RATE was again improved and the Interest Income of $2,242,765 was greater than that of previous years.

A copy of the complete Financial Statement and Report of Directors, together with the proceedings at the Annual Meeting, held February 6, 1913, will be mailed on request.

E. W. COX, General Manager.

MIDDLE WEST

WINNIPEG'S ISSUE OF STOCK IN LONDON WAS WELL TAKEN.

Public Taking Twenty-Five Per Cent. After the Experience of Other Cities Regarded as Satisfactory in Investment Circles—Land Show for Winnipeg—Will be Spectacular and is Intended for September.

Despite reports to the contrary the Winnipeg issue of stock in London was a success. It was placed on the market just after one or two other loans that had met with poor success. Another factor is the caution of the British investor. He has got the money. But when once the rate has been broken and there is a chance of higher yields he can wait. No one can wait more patiently. By keeping his money in his pocket when he knows that Canada and many other countries need it so badly, he feels sure that he can make a little more by waiting.

Under the circumstance twenty-five per cent. publicly subscribed of the Winnipeg offering makes it successful. With twenty-five per cent. off their hands the underwriters can take care of the balance. The only danger is that the load of undigested issues may increase and make the outlook for other borrowers somewhat heavy.

Provincial Expenditures.

The estimates for the year 1913 presented to the legislature of Manitoba provide for the expenditure of the sum of $7,346,849. Most important are the announcements regarding the erection of public buildings. The sum of $500,000 will be expended in connection with the new parliament buildings, to cost in all $5,000,000. At the agricultural college at St. Vital the sum of $120,000 will be spent, and at the college of St. Charles, $15,000. Other special grants which will be made during the year will be $200,000 for university buildings and improvements to grounds. The Manitoba government grain elevators will take the sum of $20,000, while to the highways the sum of $200,000 will be allocated.

Besides the erection of a court house at Le Pas the sum of $80,000 will be set apart for the development of the added territory. For a public abattoir there will be a sum of $50,000, which is to be given in the way of direct grant. The sum estimated for the operation of the government telephones is $1,184,000, while there is to be set aside for the work of construction the sum of $938,000.

SHAREHOLDERS MEETINGS TO BE HELD DURING THE NEXT FORTNIGHT.

Monday, Feb. 10, 1913—
- Acadia Fire Ins. Co.
- Dome Lake Min. & Milling Co., Ltd.
- Elect. Develop. Co. of Ont.
- Halifax Elect.

Tuesday, Feb. 11, 1913—
- Montreal C. & D. Savings Bank.
- Eastern Trust Co.
- Maritime Teleg. & Tel.
- National Brick Co. of La Prairie.
- Toronto Electric Light Co.

Wednesday, Feb. 12, 1913—
- Toronto Mortgage Co.
- Huron & Erie Loan & Savings Co.
- Ontario Loan & Debenture Co.
- Winnipeg Elect. Ry. Co.
- Can. Landed & National Inv. Co.

Saturday, Feb. 15, 1913—
- Mackay Companies.
- North Empire Fire Ins. Co.

Monday, Feb. 17, 1913—
- Dom. Power & Transmission Co.
- Eastern Can. Savings & Loan Co.

Tuesday, Feb. 18, 1913—
- Mount Royal Assurance Co.
- Shawinigan Water and Power Co.
- Land Security Co.
- Federal Life Assurance Co.

Wednesday, Feb. 19, 1913—
- Standard Bank of Canada.
- Crown Trust Co.
- Nova Scotia Fire Insurance Co.
- Dom. Gresham Guar. & Cas. Co.
- Richelieu & Ont. Navigation Co.
- Canadian Amusement Co.
- Western Investment Co.
- National Agency Co., Ltd.

Thursday, Feb. 20, 1913—
- Trustee Co., of Winnipeg.
- Saskatchewan Mortgage Cor.

NORTH EMPIRE FIRE.

The directors of this company have declared a stock dividend of $4.00 per share. At the same time a cash dividend of six per cent. was declared.

Vancouver Island

During the past few weeks I have sold several thousand acres of land on this most beautiful Island.

I have for sale about 25,000 acres, Nootka, Sound, Kuyoquot Sound, Green River near Quatsino, Sound, etc., from $10.00 to $15.00 an acre.

Wire for full particulars as these blocks are selling rapidly.

ROBERT WM. CLARK
VICTORIA, B.C.

The Saskatoon Commission Co.

The combination of good judgment and careful attention has built the reputation of this company, and its value to you when buying or selling Saskatoon Real Estate is worthy of consideration.

Cable Code, "Western Union'
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Phone 509. P.O. Box 484

THE SASKATOON COMMISSION CO.
SASKATOON
Real Estate Brokers.

Kalmar Heights

Located on the Kingston Road, just east of the Hunt Club, an ideal home site for the man who wants to stop paying rent. Prices $12 to $15 per foot, sold on easy terms, and no interest charged on the unpaid purchase money for three years. Special offer to the first four purchasers building and occupying their homes. Early buyers will receive big profits in Kalmar Heights. Ask for plans.

WHITE & Co
REAL ESTATE
58 VICTORIA ST.
TORONTO

Phone M. 5495.

The Following Letter

is typical of many spontaneous expressions from Great-West Policyholders:—

"It is with great pleasure I have to acknowledge your Company's cheque for $2,127, being the cash settlement on my 20 Year Endowment Policy for $1,500. I find that I not only have had protection for twenty years, but have received better than 4% compound interest on the premiums that I have paid you. This to me is certainly a most gratifying result, and I am pleased to give you this letter, as it may be a means of inducing the insuring Public to take Insurance with the Great-West, and by so doing, I feel assured they will get a better return on the premiums paid you from year to year, than they can in any other Life Insurance Company doing business."

Look into the Policies that earn such commendation.

THE GREAT-WEST LIFE ASSURANCE COMPANY
HEAD OFFICE: WINNIPEG

FREE Land Magazine Illustrated; 6 mos. Shows how to make Big profits safely. Address Geo. Marell & Co., Dept. P., 180 St. James St., Montreal.

Mr. W. T. Alexander, president of the Great West Permanent Loan Co., who, for some weeks has been quite ill at the Wellesley Hospital, is now recovering.

Mr. Norman W. Tovell, who has for the past number of years been connected with the Registrar General's Offices in Toronto, at the beginning of this month took charge of the stock department of the Toronto Stock Exchange and Bond firm, Brent, Noxon & Co.

Those who know Mr. Tovell expect him to be a valuable addition to the Brent, Noxon & Co. organization.

Bonds of Medicine Hat

The development of Western Canada is well illustrated in the instance of Medicine Hat, the industrial city of the West.

In one year the population has leaped from 6,000 to 12,000, and many new industries have been established.

The security on their debentures has increased in proportion, but on account of the present market conditions these bonds may be secured to yield a higher interest return than has been obtainable for many years.

Write for particulars

Wood, Gundy & Co.,

Toronto — London Eng. — Saskatoon

Your Investments

The same care should be exercised in the investment of surplus funds that was used in their accumulation, and the services of a banking house of standing are of high value in an advisory capacity.

Those contemplating investments in or disposal of securities now held are invited to confer with us in this regard.

Baillie, Wood & Croft

Bankers and Brokers

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NEW COMPANIES INCORPORATED

In the report of the Provincial Secretary's department for the province of Manitoba, it is stated that in the fiscal year ending Nov. 30, 414 letters patent were granted, representing a capital of more than $60,000,000. For the increase of the capital stock of existing companies 29 supplementary letters patent were issued, increasing capital stock by $6,230,000. In one case a company decreased its capital by $80,000.

Dominion Traction & Lighting Co., Toronto	$12,500,000
National Builder's Supply Co., Montreal	250,000
North Alberta Coal Co., Toronto	2,000,000
McLaren Lumber Co., Toronto	1,250,000

New Companies.

Mr. E. F. Hutchings and others of Winnipeg are applying for incorporation under the name of the Metropolitan Mortgage and Trust Co.

Mr. Ed. Brown and others, of Winnipeg, want incorporation as the British North-Western Mortgage Co.

Hudson Bay Insurance Co. seeks amendments to its act of incorporation.

NEW FEDERAL INCORPORATIONS.

The following incorporations have been gazetted at Ottawa:—

Lord Bourbonnais et Perron, Lachine	$ 150.000
North Alberta Coal, Toronto	2,000 000
National Builder's Supply, Montreal	250,000
Dominion Traction and Lighting, Toronto	12.500.000
Macdonald Car Buffer, Montreal	500.000
McLaren Lumber Co., Toronto	1,250.0000
Windsor Arcade, Montreal	2.000.000
Anglins, Montreal	1,000,000
Hamilton & Rochester Land & Building, Hamilton	100.000
Armour Amusement, Montreal	50.000
Ocean Freight Line, Toronto	100.000
Toronto Structural Steel, Toronto	1,000.000
Wm. Currie, Montreal	250.000
Modern Joint, Montreal	75.000
Short & Trower, Montreal	500.000
Perkins Electric, Montreal	50.000
Amherst Pianos, Amherst, N.S.	500.000
La Justice, Ottawa	100,000
Maison Canadienne de Finances et d'Immeubles, Quebec	100.000
M. Melachrino & Co., Montreal	50.000
Canadian Griscom Russell	50 000
Corbeil, Limited, Montreal	1,000.000
Western Farm Lands, Limited, Que.	50.000
Spring Water Co., Montreal	2,000.000
Financial Trust Co., Montreal	100.000
Loyal Motor Co., Strathroy, Ont.	500.000
Central Land Co., Montreal	300,000
Industrial Engineering & Machinery, Montreal	50 000
Longueuil Riverside Land, Montreal	1,000,000
Chambers, McGuigge & McCaffrey, Toronto	500.000
Burnside Realty, Montreal	100,000
Owen Sound Rolling Mills, Owen Sound	500,000
St. Catherine Heights, Lachute, P.Q.	75.000
Continental Trust Corp., Toronto	1,000.000
Mannesmann Tube Co., Montreal	200.000
La Cie. Gladu & Demers, St. Hyacinthe	50.000
Herbert Lubin & Co., Montreal	100.000
Can. Tile Flooring Co., Montreal	20.000
Girardot Agencies, Montreal	50.000
Gregory Realties, Montreal	50.000
Standard Paper Box Co., Montreal	200 000
Raoul Barozzi & Cie., Montreal	40 000
McCall, Shehyn & Son, Quebec	500 000
Banff Lithia Water Co., Banff	200.000
Beauchemin et Cie, Shawinigan Falls	100 000
Scottish Gowganda Mines, Montreal	1,500.000
Ontario & Quebec Realty, Ottawa	50,000
Maisonneuve Contracting Co., Maisonneuve	100,000
East End Paving and Constructing Co., Maisonneuve	100.000
St. Jerome Gravel & Sand Co., Maisonneuve	100.000
H. J. St. Clair Co., Winnipeg	25.000
Fort Realty Co., Montreal	350 000
Crowell Sherman Stalter Co., Toronto	50.000
Rubber Substitutes Co., Montreal	300 000
Can. Jewish Times Pub. Co., Montreal	25,000

AMERICAN TOBACCO DIVIDEND.

Extra Dividend of 15 Per Cent. Declared

NEW YORK, Feb. 5.—More than $6,000,000 will be distributed among holders of the common stock of the American Tobacco Company from a 15 per cent. extra dividend declared to-day. Like the $40,000,000 "melon," divided last week by the Standard Oil Company of New Jersey, this extra dividend results from the Supreme Court decree dissolving the old corporation and represents proceeds of the sale of certain treasury securities in accordance with the decree of dissolution.

The declaration to-day makes a total of $14,000,000 in extra dividends received by the stockholders since the old American Tobacco Company was dissolved.

The company declared also to-day a quarterly dividend of 5 per cent., which places the common stock on a 20 per cent. annual basis, an increase of 2½ per cent. quarterly.

MOORE GROUP.

The Wm. A. Rogers Co., F. N. Burt Co., Pacific Burt Co., American Sales Book Co., a group of companies under the general administration of Mr. S. J. Moore, did, during 1912, a larger volume of business than during the preceding year. Although the final figures for the year are not yet ready, it is expected that the increase in cost of labor and raw materials which have been general among manufacturing concerns, will be reflected in the net earnigs of these companies, which will consequently not show gains corresponding to the increased business.

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Business properties, choice residential properties, revenue producing properties, inside lots. All class of Nova Scotia land listed.

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Reference by permission Bank of New Brunswick.

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Price—$250.00 per foot in pairs of lots 60 ft. or $240.00 per ft. en bloc. Terms—1/3 cash; balance 6, 12 & 18 months. Compare these prices with adjacent property.

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Bond Department

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It seeks to be very accurately compiled and convenient. The Financial Post makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of any contemplated bond issues.

TENDERS WANTED.

February 17th, Morinville, Alta.—Tenders will be received up till above date for $10,000 6 per cent. 20-year general improvement debentures, paying interest half-yearly. J. A. Nantel, Clerk.

Nelson, B.C.—Tenders are invited for $7,456 cement walks debentures. The debentures are of $100 denominations for 10-years with interest at 5 per cent.

Edmonton, Alta.—Tenders will shortly be called for the following:—Addition to Isolation Hospital, $110,000; site for civic offices, $76,000; civic office building, $225,000; golf links purchased for park, $310,000; old school sites bought for parks, $26,000; police station, $75,000; land for addition to telephone building, $50,000; hillside for park purposes, $60,000; site for new car barn, $50.000; bridge 42nd Street ravines, $25,000; sites for telephone sub-stations, $22,000; various small parks and driveways, $150,000; site for warehouse city stores department, $66,000.

Stellarton, N.S.—Tenders will be received any time now for $16,000 5 per cent. 30-year water-work's debentures. B. D. Rogers, Chairman Finance Com.

Dry Wood School District No. 1685, Alta.—Tenders are wanted for $1,000 debentures 10-year school debentures. Wm. J. Bennet, Sec.-Treas., Alta.

February 12th, Estevan, Sask.—Tenders are invited for the following:—$50,000 5 per cent. 30-year High School debentures; $35,000 5 per cent. 30-year Waterworks debentures; and $25,000 5 per cent. 25-year Manufacturing Establishments debentures. (See official ad. on another page.)

February 15th, Shoal Lake, Man.—Tenders will be received up till above date for $12,000 20-year 5 per cent. municipal and fire hall debentures. Frank Dobbs, Sec.-Treas.

February 25th, Port Alberni, B.C.—Tenders are invited for the following: $115,000 50-year waterworks debentures; $30,000 20-year electric light debentures; and $10,000 20-year street improvement debentures. All the above are bearing interest at 5 per cent. (payable half-yearly). (See official ad on another page).

February 15th, Millbrook, Ont.—Tenders are invited for $3,000 20-year 4 per cent. debentures. W. S. Given, Clerk.

Massey, Ont.—Bids are now invited for $5,200 10-year 6 per cent. sidewalk debentures. These may be taken in $650 and multiples. D. W. Cantlow, Clerk, Massey Station, Ont.

March 8th, Wilkie, Sask.—Tenders are invited for the following:—$28,000 re waterworks debentures; $2,250, 30-year electric light debentures; $1,100 for road improvement debentures; and $8,000 for skating and curling rink debtnures. All the above bear interest at 5½ per cent. (For further particulars see official ad. on another page.)

February 20th, Hamilton, Ont.—Tenders are invited up till above date for $190,000, 20-year, 4½ per cent. debentures. Interest is payable half-yearly. S. H. Kent, City Clerk.

February 20th, National Park Public School District, No. 102, Alta.—Tenders are invited for $30,000, 20-year, 5 per cent., school debentures. Wm. Mather, Secy-Treas., Banff, Alta

February 20th, Wadena, Sask.—Tenders are invited for $15,000 6 per cent. 40-year electric light and power plant debentures, and $15,000 6 per cent. 30-year sidewalks and street improvement debtnures. J. F. T. Saith, Sec.-Treas.

March 15th, Mariposa Rural Municipality, No. 350, Sask.—Tenders will be received up till above date for $15,000 5½ per cent. 20-year debentures. A. M. Carlile, Sec.-Treas., Kerrobert, Sask.

BY-LAWS TO BE VOTED ON.

February 8th, Kerwood School District, No. 1317, Man.—The burgesses will be called upon on the above date to vote on a by-law to raise $2,500, by way of 5½ per cent. debentures.

February 8th, Rural Municipality of Assiniboia, Man.—The by-law to raise $125,000 to cover cost of proposed school improvements will be voted on by the ratepayers.

February 20th, Strathroy, Ont.—The ratepayers will be called upon to sanction the raising of $50.000 to provide a loan to an automobile factory about to commence operations here.

February 24th, Wainwright, Alta.—The burgesses will be called upon to sanction the following by-laws:—To raise $2,000 re construction of sidewalks; $5.500 for additional cost of building rink; $4,000 for cost of erecting a fire hall; and $2,000 for grading streets.

February 24th, Edmonton, Alta.—The following by-laws will be submitted to the burgesses for ratification:—To raise, by 8-year debentures, $15,692 for waterworks department; $37,960 re horses, vehicles, etc., by 10-year debentures; $58,400 for street cleaning plant; $848,260 re telephone system; $675,900 cost of land for general purposes; $85,166.67 he fire department; $6,813.35 for fire alarm; $7,300 re police signal system; $168,386.67 to acquire government telephone system within city limits; 20-year debentures, $110,968 re market buildings; $484,720 cost of power house and plant; $225,326.67 re Royal Alexandra hospital; $453,086.67 cost of electric lighting system; $30,000 re civic office; $1,543,320 for street railway; $109,500 cost of building for civic use; $84,680 re fire and police stations; $260,380 South Side Hospital; $240,415.38 re Misericordia hospital; $109,500 re warehouses, shops, etc.; $453,154 cost of bridge improvement; 40-year debentures, $4,866.67 cost of fire halls; and $19,466.67 for site for warehouse and storage yard. Total in all $5,470,739.28.

February 25th, Regina, Sask.—The following by-laws will be placed before the burgesses on the above date: To raise $825,000 for street railway; $425,000 for new electric light plant; Electric light and fire equipment, $310,000; $117,000 re incinerator and garbage equipment; $125,000 re general hospital extensions; $180,000 re police station; $7,500 re alterations to market buildings; $134,000 for new winter fair building; $645,000 re sewers; $583,000 for pavement works; $128,000 for sidewalks; $622,000 re waterworks extension; $25,000 for gas mains; $38,000 re to complete subways; $35,000 for Hamilton Street foot bridge; $649,000 for by-law 610; and $100,000 for Collegiate Institute extension.

April 18th, Burks Falls, Ont.—A by-law to provide and authorize the issue of debentures for $8,000 re waterworks extension will be declared passed on the above date unless any protest against the same is made successfully.

April 20th, Roman Catholic School Section, No 1, Township of James, Ont.—The burgesses will have up till above date to protest the by-law to raise $1,375 for school purposes. Unless a protest is raised said by-law will be considered passed.

CONTEMPLATED BY-LAWS.

Battleford, Sask.—It is proposed to submit a by-law to the ratepayers at an early date to raise $100,000 for a public school.

Scarboro Village, Ont.—The council has decided to submit a by-law to the burgesses whereby $8,000 will be raised by debentures for the cost of a new school.

Hamilton, Ont.—It has been estimated by the city council that the sum of $611,995 will be required during coming year to meet debenture payments. The city's overdraft is expected to be placed at $10,000.

Nanaimo, B.C.—The burgesses will likely be called upon at an early date to raise $650,000 in anticipation for revenue for present year.

Brandon, Man.—By-laws to sanction the raising of $500,000 will be shortly submitted to the burgesses here.

Saskatoon, Sask.—It is proposed to submit a by-law to the ratepayers shortly whereby

(Continued on page 14)

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Too Late Now

We sold the entire sub-division in Winnipeg in a week.

We Can Sell

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This is an excellent opportunity for anyone to invest their private funds at eight per cent. for five years on first-class security on a fifty per cent. margin.

Perfect titles, conservative valuations, fire insurance policies with the most responsible companies, carefully prepared mortgages by experienced lawyers.

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¶ The population increase shows thirty per cent. for the past year.

¶ Two million five hundred dollars are being spent on business and residential buildings this summer.

¶ We have thousands of homesteads open for settlement in the Prince Albert District.

¶ The opportunity you are looking for can be found here.

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Correspondence invited.

Reference: Royal Bank of Canada, Weyburn, Sask.

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OF CANADA

INCORPORATED 1869

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Capital Paid-up - - $11,560,000
Reserve and Undivided Profits $13,000,000
Total Assets - - $180,000,000

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WESTERN CANADA POWER CO., LTD., 5% 1st Mtge.	1949	5⅝%
MATTHEWS-LAING, LIMITED, 6% 1st Mtge.	1931	5¾%
DOMINION CANNERS, LIMITED, 6% 1st Mtge.	1940	5¾%
CANADIAN COTTONS, LIMITED, 5% 1st Mtge.	1940	6%
CANADA STARCH CO., LIMITED, 6% 1st Mtge.	1930	6%
ROLLAND PAPER CO., LIMITED, 6% 1st Mtge.	1937	6%

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Correspondents in London, England

L. O. McCormack & Company

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Canada Life Building, OTTAWA, CANADA

London Mutual Fire Insurance Co.

(ESTABLISHED 1859)

Head Office: 31 Scott Street, TORONTO, ONT.

Assets - - - - - - - $ 926,906.76
Surplus - - - - - - - 589,600.69
Security for Policyholders - - - 967,910.97

GENERAL AGENTS:
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Yorkshire Bldg., Montreal, P.Q. Union Bank Bldg., Winnipeg.
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OTTAWA ELECTRIC

EARNED 18.8 ON CAPITAL DURING 1912.

Assets of $128 for Every $100 of Stock—A Statistical Record of the Company's Growth—Net Earnings in 1912 Amounted to $400,059—Gross $934,397.

Canada's capital city's growth is accurately indexed by the steady increase of earnings of its street car service. The company providing this public convenience, The Ottawa Electric Railway Co., has issued its statement covering 1912 and from it the impression is gathered that results for that year are as satisfactory, if not better than, those of any previous period of the company's experience. Quarterly dividends at the rate of 12 per cent. per annum and a bonus of 3 per cent. were paid. Gross receipts showed an increase of nearly $100,000 over the previous year and net income after all expenses including mileage payments, taxes and interest amounted to $355,856, an increase of $60,305 over last year. Over two million more passengers were carried in 1912 than in 1911.

Assets of the company amount to $2,931,074 and include only actual property, cash, stores and insurance paid in advance. After deducting bond issue and interest the assets constitute $128 for every share of stock issued.

The appended table indicates the growth in receipts, expenses and net income since the incorporation of the company and the second table shows the dividend rates, increase in assets and number of passengers carried since 1900:

	Gross Receipts.	Expenses.	Net Income.
1891	$ 71,698x	$ 45,199	$ 26,499
1892	110,071	70,221	39,850
1893	129,484	83,324	46,159
1894	193,991	122,335	71,655
1895	128,173z	73,983	54,190
1896	212,105	144,360	67,745
1897	223,801	151,462	72,339
1898	231,802	159,158	72,643
1899	263,545	178,364	85,180
1900	315,022	213,905	101,116
1901	313,171	235,128	78,043
1902	310,191	223,657	86,534
1903	348,888	254,346	94,541
1904	384,939	275,840	109,098
1905	449,633	305,757	143,876
1906	525,746	345,062	180,684
1907	574,278	393,370	180,908
1908	616,229	455,827	160,401
1909	677,357	479,502	197,854
1910	747,708	528,025	220,683
1911	840,680	545,128	295,551
1912	934,397	578,540	355,856

x11 months; z7 months.

Earned 18.8 on Capital.

In the matter of growth the foregoing figures place the Ottawa Electric well up in the list of public utilities notable for steadily increasing earnings. Its earnings for last year were at the rate of 15.8 per cent., and a dividend of 12 per cent., and a bonus of 3 per cent. was paid and the surplus remains at a very substantial figure.

Together with the passengers carried, and the assets at the end of each year, the following table gives the dividend rate paid in certain years, which shows that with increased business the shareholders have not been neglected.

	Passengers.	Assets.	Dividends
1912	21,815,798	2,931,074	12+3
1911	19,270,521	2,604,403	10+5
1907	12,623,440	2,073,826	10+2
1906	11,408,422	1,931,547	8
1901	7,188,781	1,538,868	8
1900	7,094,656	1,496,177	8

OTTAWA POWER.

MONTREAL.—Thornton, Davidson & Co. in their latest publication say the following about Ottawa Light, Heat and Power:

Shareholders of Ottawa Light, Heat and Power Company are naturally taking much interest in the statement that something good will be coming to them by way of a "melon" before long. The stock is holding very firm and there is every indication that an announcement will not be long delayed. Some predict a stock bonus of a considerable percentage on the present holdings, and color is lent to this by the high price at which the stock is now selling. It is considered that trading on Ottawa Power would be much more active were the number of shares increased. This, of course, would mean that the stock would sell at considerably less than it is now selling at. For various reasons high price stocks are not greatly favored by the general public, so that a stock bonus in Ottawa Power would probably mean a wider market.

FORT WILLIAM'S INDUSTRIAL PROJECTS.

FORT WILLIAM.—Fort William lays claim to having secured during 1912 more manufacturing industries employing the greatest number of men than any other city in the Dominion of Canada. The particulars are as follows:—

	Cost of plant.	Men empl'yed
Canadian C. & F. Co.	$1,500,000	1,600
Fort William Starch.	500,000	200
National Tube	400,000	150
McKellar Bedding ..	100,000	60
Great West Wire ...	100,000	60
Superior Brick	200,000	100
Mt. McKay Pressed..	100,000	50
Maritime Nail	700,000	250
Can. Steel Foundries	250,000	250

Total cost of plants $3,850,000
Total number of men employed 2,720

BANQUE PROVINCIALE.

MONTREAL.—Last week the annual meeting of the Banque Provinciale was held in Montreal when the annual statement analysed in part last week, was presented to the shareholders. The full statement shows in addition to profits of $185,165, that the reserve fund now stands at $575,000, being increased this year by $75,000.

Notes of the bank in circulation amounted to $1,108,273, or slightly less than last year. Deposits totalled $8,656,161, against $8,521,048 last year. Total obligations to the public increased from $10,568,529 to $11,683,255.

Current loans were $5,339,780, compared with $4,159,448, a substantial increase. Call loans on stocks and bonds were much less, standing at $1,875,386, against $3,192,011.

The old board of directors were reelected. This is composed of the following: Messrs. H. Laporte (president), W. F. Carsley (vice-president), Hon. Louis Baubien, G. M. Bosworth, Alphonse Racine, L. J. O. Beauchemin, and Tancrede Bienvu.

DOMINION BANK.

Announcement has been made of an offering of $1,000,000 of new stock at 200 to the shareholders of record, February 15th. As he Bank can easily maintain its present rate of distribution of 14 per cent. the new issue therefore offering shareholders a 7 per cent. investment is an unusually attractive offer, considering the present rank of Canadian Banks.—Jaffray Cassels & Biggar.

MATTHEWS-LAING.

FORT WILLIAM, Ont.—The Matthews-Laing pork packing and refrigerator plant near the corner of Simpson and Ogden Streets, on which work was started last October, is rapidly nearing completion. Work has been going on steadily during the winter months. Mr. M. H. Braden, who has the contract for construction work, in an interview a few days ago, stated that the plant would be completed and ready for occupancy in six weeks' time.

ILLINOIS TRACTION.

MONTREAL.—The preliminary statement of the Illinois Traction Co. for the year ending December 31st, 1912 shows net earnings of $3,025,968, compared with $2,727,326 for 1911, and $2,550,475 for 1910. This represents an increase of over 10 per cent. on the net this year over last. Total gross earnings were $7 379,182, compared with $6,860,967; from which it will be seen that expenses were proportionally lower this year than last.

Returns for the month of December show gross of $701,335, against $635,637 in 1911 and net were $306,490, compared with $278,367.

Though depreciation and other charges have not been given out, the surplus of the company has been pretty well estimated; this will amount to about eight per cent. on the common stock. As announced in The Post exclusively many months ago a three per cent dividend will be paid on the stock this year, and if earnings warrant will be further increased from time to time.

The new Suburban Electric Railway to connect Victoria, B.C., with the principal towns on the Saanich Peninsula, will be open for traffic by April. Steel cars with Parabolic ends will be used.

Work has commenced on the Great Sea Wall at Ogden Point, Victoria, B.C., which is part of the Victoria Harbor enlargement work to be completed in 1915.

The B. C. Electric's Suburban Terminals and Offices, ten storeys high, will be built at corner Douglas and Pandora Ave. opposite the City Hall, Victoria, B.C.

Ford City Heights Sub-Division

The most valuable piece of property that can be laid out in a sub-division in Ford City. We assure you that the restrictions will make this property the best residential district in this vicinity. This property has most beautiful surroundings, one block from the Detroit River and right opposite Belle Isle Park.

A $20,000 residence is now under construction half block from this subdivision. Land one block from this subdivision cannot be bought for less than $200 per foot. This property is on car line, 5c fare to Windsor and within 10 minutes' ride to Windsor and Detroit ferry. You will never be able to buy lots in the vicinity of this subdivision for anywhere near so low a price as you can buy to-day.

Don't waste any time guessing about this property, it will be sold in a short time.

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"The Standard of Empire" gives more Canadian news than any other paper printed in the United Kingdom. All advertisements are also printed in the "London Daily Standard"
It is the recognized medium for advertising Canadian Real Estate.

CANADIAN OFFICE
Stair Building, Toronto, Ont.

CANADA PERMANENT.

Dividends Increase To 10 per cent.—Earnings 13.76 per cent. Of Capital.

Having earned $826,799 or 13.76 per cent. on paid-up capital the directors of the Canada Permanent Mortgage Corporation announced at the annual meeting, held during the week, that the dividend rate would be increased to 10 per cent. per annum at the next quarterly payment. The company has completed the most profitable year in its history as indicated by the table of earnings below. $250,000 was transferred to reserve fund which now amounts to $4,000,000 or two-thirds of paid-up capital. It is interesting to note that in 1904 the total assets of the corporation amounted to $24,122,957 as compared with $31,299,095 at present and the reserve was $2,000,000 or one half of the present reserve.

	Div.	% Earn.	Earnings
1912	9	13.76	826,799
1911	8	12.46	747,459
1910	8	11.93	715,767
1909	8	11.59	695,422
1908	7	11.50	690,168
1907	6	11.43	686,279
1906	6	10.57	634,048
1905	6	9.16	545,205
1904	6	9.02	537,193

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No paid advertising, other than annual reports or official notices of corporations, will be inserted in the news columns unless marked "Advertisement."

Advertising matter is investigated before publication, and none of known questionable character is accepted. Acceptance of advertising will not deter the editorial department from making such comments as the situation may demand.

ADVERTISING RATES:

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Yearly " .... 40.00 per inch.
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SUBSCRIPTION PRICE:

Canada and Mexico ....$3.00 per annum.
United States .... 3.50 per annum.
Great Britain, Ireland, and Colonies having minimum postal rates...12s. 6d.
France and other Countries ......16s. 6d.

Subscribers are especially requested to report any instances of delay or non-delivery of The Post.

Published by
THE MacLEAN PUBLISHING COMPANY LIMITED.

President - - JOHN BAYNE MACLEAN
Managing Editor - R. G. DINGMAN, M.A.

Associate Editor - - - - - John Appleton
Associate Editor, Montreal - Geo. W. S. Shipman, B.A.
Advertising Manager - - - - O. A. Harper
Advertising Manager, Montreal - A. B. Caswell
Western Manager (Regina) - F. G. Hassard
Winnipeg Manager - - - - - Gordon Rutledge
Circulation Manager (Toronto) - J. W. Deyell, B.A.

Cable Address:
Macpubco, Toronto. Atabek, London, England.

February 8, 1913.

INVESTORS' INFORMATION BUREAU.

Any subscriber to The Post may write the Investors' Information Bureau for special information on any Canadian security, or other financial matter in which he may be interested. Inquiries are treated confidentially and answered by mail.

This service is free to subscribers, but inquirers should enclose stamp for reply.

WALL STREET AND THE PUBLIC.

Wall Street's disposition is anything but cheerful, and it can hardly be expected to behave otherwise, in view of the severe chastisement that has been meted out to it during the past few weeks. Wall Street, in fact, must perforce take the part of the spanked child of the family, while other members receive all the pie and the candy. Business everywhere is active; farmers are buying liberally, the products of industry with the proceeds of last year's unexcelled crops; skilled labor is everywhere in demand, and industrial production is reaching new records.

Yet Wall Street is discouraged, and well might it be until it has reached a solution of the problems that now threaten serious handicaps for the speculative markets. Wall Street imagines that everybody is pointing the finger of scorn at it, as a place unfit for honest business.

The Money Trust Commission at Washington has shown its worst phases and has suggested many phases that do not exist at all. The message of Governor Sulzer, of New York State, while concededly temperate, has been an additional suggestion that conditions are so deplorably bad that something must be done to correct them. The Governor proposes to limit the maximum rate of interest on call loans to 6 per cent. He cannot compel banking institutions to keep their funds so completely mobile that there will be always sufficient funds to loan at that figure. Stockholders and bondholders who have seen quotations for their securities go steadily downward are convinced that something is fundamentally wrong.

Explanations that run the entire gamut from social discontent to rebellion are offered, according to the point of view and the degree of specific or imaginary harm that each individual feels he has suffered. The truth seems to be that we are going through a period of exaggeration. The disposition is to look for discouraging factors, and for those only. There is nothing radically wrong with the country. The elder Morgan's injunction that whoever is a bear on the country will go broke applies to-day just as accurately as it did in his time. We are again through a periodical reconstruction, to new conditions, of necessary rest from excesses. The pendulum of reform is swinging to the extreme, from which in natural order there will be the return to normal conditions before new excesses and enthusiasm again cry out for correction.

Many harsh comments have been directed against the Stock Exchange and big financial manipulators by men who have hitherto been noted for their extreme conservatism in public matters. They say that matters could not be worse than at present, and that a great upheaval will take place unless matters are remedied. It is to prevent such a catastrophe that the real managers of the exchange must now devote their best attention.

The Special Committee appointed for the purpose conferred with Governor Sulzer of this State on Friday, of last week. The Governor has some erroneous views with regard to Wall Street's methods and it is expected that many of his former recommendations will be discarded as a result of the committee's visit.

GOOD FOR CANADA.

The decision of the Judicial Committee of the Privy Council in the celebrated Alberta and Great Waterways Railway case is one which those interested in conservative finance and in proper security to bondholders, will be glad to see.

In the early days of the controversy The Post took the ground that the Province of Alberta was most ill-advised to attempt to confiscate the money of the bondholders, even though the Government was still behind the bond issue, and intended to use the money for purposes in the supposed interest of the Province. The Province in the early days of the famous railroad case made a bad bargain with the promoters. The Post has always thought that instead of breaking faith with the railroad company they should have withdrawn from the bad bargain, making the best amicable settlement with the promoters that was possible. Instead of this the Government took a course which the Privy Council has now virtually declared unwarranted.

In The Post's judgment the finding of the Privy Council is in the best interests of Canada and buttresses the good reputation of Canadian securities. It is a decision in the direction of inviolability of contract and of keeping faith with bondholders.

FUNCTIONS OF TRUST COMPANIES.

"In previous years I have adverted to the reasons, said Mr. Wm. Harvey at the annual meeting of the Standard Trusts Company, "why the average Trust Company, conducted on the lines of a sane and sound policy can earn relatively higher earnings on its capital than the straight lending institution. The latter's source of profit is circumscribed between its borrowing and its lending rates. The difference, less cost of carrying on its business and providing for bad and doubtful debts, is its profit, without any other source of revenue. For the information of our Stockholders present, as well as those absent, I would explain that to earn the 21 per cent. which we show as our net return on capital, we have at least three sources of revenue. First, the fees arising out of administration of Estates, which is our primary function, Second, interest on our mortgage investments, some of which are of a guaranteed character, where the Company receives the difference between the rate we guarantee (necessarily lower than the unguaranteed investment) and the rate the mortgage itself bears; and those investments—usually the larger portion—where we earn a yearly commission on the amount invested and the client takes the mortgage at its face and without involving the Company's guarantee; and third, commissions earned in our real estate department in buying and selling properties for clients, collecting rents and interest on their behalf, as attorney and Agent; fees obtained in acting as Trustee for Debenture Holders, Transfer Agent, Registrar or Stocks, Trustee for Mortgage Corporations and other credits received on miscellaneous business too numerous to mention, and yet which come strictly within the scope of a fiduciary agent, such as The Standard Trusts Company is.

This is of special interest in the light of the recent failure of the Peoples' Trust Co.

POSSIBLE SOLUTION OF ALBERTA'S DIFFICULTY.

There seems to be but one way out of the embroglio which has arisen in Alberta as a result of the decision against the province rendered by the Privy Council. It seems quite clear that the money in the banks belongs to the bondholders, and that neither the Government of Alberta or the banks can deduct from the money of the bondholders a single halfpenny in respect of any claims they may have. The Royal has a lien against the interests in the money belonging to the Great Waterways Company and its subsidiary the Construction Company. But what does that claim amount to now that the Privy Council has ruled that the project for which the money was provided has not been proceeded with, and cannot be proceeded with, being obstructed by the Provincial Government?

Meanwhile the Province of Alberta is faced with an annual liability of 5 per cent. on $7,400,000, or $375,000. Savings bank interest on the larger amount would amount to $222,000. The province will receive that rate from the banks, leaving $132,000 to be found annually to meet the bond interest. This is a considerable sum to provide without compensating advantages. Moreover, Alberta needs the use of much money for many public works and for railways.

Without the consent of the bondholders, however, the money cannot be used for any other purpose than that of building the Great Waterways railroad, and the understanding is that that line has to be built by the Great Waterways Company. The resuscitation of that organization would be politically impossible in Alberta, and would result in upheavals both political parties would be prudent to avoid.

An alternative is to get the bondholders, the banks and representatives of the province together with a view to settling the differences that have arisen and to arrange to make use of the money for some of the more pressing needs of the Province of Alberta. This appears to be the only way out of the difficulties that have arisen, as understood from the incomplete reports of the decision of the Privy Council cabled to Canada.

RICHELIEU AND ONTARIO.

MONTREAL. — As the time approaches for the annual meeting of the Richelieu and Ontario Navigation Co., rumors increase as to just what is going to take place. As yet nothing definite has been given out by those "in the know." One thing is fairly certain, though, and that is that there will be changes on the board of directors. English interests are now in control; and The Post understands that they are determined upon certain changes in the board.

Also, there will be a definite plan of re-organization given out soon after the meeting. What this is, the people in charge will not say, but it will include bonds. The new bonds will not be offered locally though, but in England.

CANADIAN CEREAL AND FLOUR MILLS.

Comparatively Good Headway Being Made During Reconstruction Period.

The reorganization of this company some time ago, of course, interfered with business considerably. Conditions are now much better, however, and, although putting the company into a strong position again will be no easy matter, the difficulties are in many respects not so serious as was expected. The volume of package business in January in some departments was double that of the same month last year, while the capacity of the Tillsonburg plant is to be largely increased. The company is paying little attention to export trade owing to the close prices. In the domestic package business, however, profits are better owing to the lower price of oats this season.

NEW SECURITIES COMPANY FOR TORONTO.

Avern Pardoe, Jr., late of the Toronto Stock Exchange firm of Baillie, Wood & Croft, has organized a new investment house to be styled Avern Pardoe & Co. Temporary offices have been taken in the Bell Telephone Bldg., on Adelaide St., while, on the completion of the new C. P. R. building, the new company will occupy a fine suite of offices on the King and Yonge corner of the third floor.

The new company will give special attention to the issuing of new securities and will probably have a seat on the Toronto Stock Exchange a little later.

The new company is well backed in the matter of capital, and Mr. Pardoe's executive and financial qualities are speedily expected to give the new company a strong stand with the investment public.

MONTREAL REAL ESTATE.

MONTREAL.—Feb. 7. — Fifty-two dollars and fifty cents a foot has been bid for the property at north-east corner of Mountain and St. Catherine Sts. The property has been withdrawn at that figure.

DISCOUNT RATE UNCHANGED.

BANK OF ENGLAND RESERVE DECREASES SLIGHTLY.

LONDON.—The weekly statement of the Bank of England shows the following changes:

Total reserve, decreased £501,000.
Circulation, increased £291,000.
Bullion, decreased £210,198.
Other securities, decreased £57,000.
Public deposits, increased £1,783,000.
Other deposits, decreased £2,347,000.
Notes reserve, decreased £533,000.
Government securities, unchanged.

The proportion of the bank's reserve to liability this week is 47.02 per cent.; last week it was 47.43 per cent.

Rate of discount remains unchanged at 5 per cent.

CANADIAN GENERAL ELECTRIC.

The Canadian General Electric Company is preparing to look after its business in the West much more closely than has been the case in the past.

It is intended, he said, to largely increase the size of their present office and warehouse building in Vancouver, the requirements having outgrown the facilities of their present building.

The company has opened a branch office in Victoria to take charge of the business of Vancouver Island.

The plans of a five-storey office and warehouse building in Calgary have been approved and construction will commence as soon as the weather permits.

Mr. Nicholls says that business throughout the West is in very satisfactory shape.

CANADIAN PACIFIC.

MONTREAL.—Gross earnings of the Canadian Pacific Railway for the six months ending December 31st last were $73,526,191, compared with $62,566,366 for the first half-year of 1911, or an increase of $10,959,825, which is equal to nearly 18 per cent. Net profits for the same period were $27,131,152, against $24,470,247, a gain of $2,660,905, or close on to 11 per cent.

For the month of December gross earnings were $12,219,278, against $10,654,871, and net $4,395,719; an increase of $289,989.

BRITISH CANADIAN LUMBER CO.

The earnings of this company for 1912 will not be as large as was anticipated at the beginning of the year. This is because the big New Westminster mill was not started until November—instead of March—owing to the inability to get delivery of machinery. The company's financing is proceeding, the British Empire Securities Corporation some months ago having underwritten $500,000 of 6 per cent. preference stock. The company's limits have increased considerably in value since the company's formation and if the lower duty on lumber goes through as the U.S. Democrats propose, it is estimated by some that good B. C. standing timber will be worth $7 per thousand more.

JANUARY FAILURE RECORD.

154 In First Month Of Year.

Commercial failures in the Dominion if Canada during January were more numerous and involved a larger aggregate of liabilities than in the same period of the two years immediately preceeding, although there was some contraction in number as compared with 1910, says Dunn's review. Total insolvencies last month numbered 154 and supplied $1,730,863 of defaulted indebtedness as against 144 for $1,208,367 in the previous year, 143 for $1,003,471 in 1911, and 170 suspensions in 1910, when the liabilities were $1,331,679.

In manufacturing lines there were 37 reverses for a total of $736,597, as compared with 28 for $331,428 in 1912, 29 for $260,274 two years ago, and 32 for $568,105 in 1910, the increased indebtedness this year being due to two failures involving over $500,000. On the other hand the trading division made a favourable exhibit, 113 insolvencies for $522,294 compared with 112 for $818,613 in the preceeding year, 112 for $736,197 in 1911, and 136 defaults in 1910, when the amount was $756,556.

In the class embracing agents, brokers, and concerns of a similar nature there were 4 failures against the same number in 1912, and 2 each in 1911 and 1910, but, owing to a single suspension of exceptional size, the liabilities rose to $471,972, as compared with $58,326 in the previous year, and only about $7,500 in both 1911 and 1910.

BOND SITUATION.

Continued from page 1

Winnipeg has a reputation that will enable the underwriters to dispose of these debentures without difficulty. The last two issues, however, indicate that Canadian municipalities must handle the London market with care, and that the market must not be entered before expert advice is received. London has the money, and Canadian cities a good standard of credit, but owing to the disturbed markets the financing will have to be done with care and regularity.

MONTREAL.—In so far as the smaller investment business goes there is nothing to complain of in the present bond market. General investment business, considering tightness of money, is good. The smaller investors are apparently realizing the possibilities in the present low prices at which securities are selling and are enquiring for the standard forms of bonds and debentures. In regard to the lower-yield municipals the market is marking time, and even the highest-yield can certainly not be said to be booming. But there is a fair investment business, mostly from the smaller investors.

Industrials.

For industrials there is a fair demand too. Absorption of the issues brought out this year has been steady and good. New issues have not been numerous owing to the scarcity of funds and the consequent inadvisability of flooding the market. Such issues as have come out this year, though, have been well taken up, considering the extreme tightness of money.

Bond Notes Up.

Messrs. W. A. Mackenzie & Co., Toronto, have made two municipal debenture purchases during the last week. They bought $120,000 5 per cent., 20 instalments, South Springfield (Transcona) school district, Man.; also $24,800, 5 per cent., 30 instalments, of Tillsonburg, Ont.

Hamilton is calling for tenders for $190,000 4½ per cent 20-year debentures.

The City of Guelph is considering investing $19,000 of its sinking fund by purchasing New Westminster debentures, maturing in 1917 and netting the city 5½ per cent.

Edmonton has decided to place the $1,250,000 debentures now on hand, and for which two offers were received, but not accepted, when bids were asked some time ago, in the hands of the Imperial Bank to receive tenders. It is understood that the debentures will be offered in Eastern Canada or to private capital, instead of being placed on the open market. These debentures are from last year's issues. On February 24 money by-laws involving an expenditure of five and a half million dollars will be voted on in Edmonton, the debentures to bear 5 per cent. interest. It is estimated that the total debenture issue of 1913 will be $10,000,000.

Regina has appointed the Bank of Montreal fiscal agents, and has decided to wait until its 650,000 issue is sold before again asking for tenders for an issue of local improvement debentures, for which tenders were opened recently, but not considered acceptable.

The Dominion Securities Corporation has issued its February list of bond offerings, which contains offerings of municipal debentures yielding from 4¼ to 5¾ per cent., and industrial bonds yielding from 5 to 6 per cent. The Dominion Securities Corporation has been successful in selling to investors almost all of the Ashdown Hardware bond issue.

Through a typographical error in the advertisement of the Dominion Bond Company, which appeared in our issue of Feb. 1, Toronto Paper 6 per cent. first mortgage bonds were priced at 96. This was palpably an error, as the price is 98. At the latter price these bonds yield 6⅛ per cent.

Further bond notes appear on page 30 of this issue.

In dealing with the Macleod debenture matter, dealt with on that page, The Post omitted to say that Mr. Morgan was to be made fiscal agent of Macleod for five years.

Service to Investors

Our Statistical Department has on file the latest information regarding every Canadian and the leading British and American companies, whose securities are offered to investors. This information is at the command of any reader of The Financial Post.

On the 15th of each month we publish a Bond Review, which is an impartial summary of conditions in Canada and England. This is sent free on request.

Monthly, on the first, we issue a List of Bonds for Investment, which gives briefly, information regarding the securities, the price and yield. We shall be glad to send this list regularly on request.

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LT.-COL. JOHN CARSON - - - - Managing Director
IRVING P. REXFORD - - - - - Manager

Decline in London Prices of Canadian Industrials

(Continued from page 1)

of these which may be keeping the investor away from Canadian industrials; rather is the cause to be found in the low average quality of the industrial investments which have been offered over here. Some of them, of course, have been very good, and have been able to secure funds on very favorable terms indeed. But too frequently have their prospectuses been lacking in real information as to the security offered, while indications have frequently pointed to the employment of the vicious system of finance associated with the early history of some of the American railways. They have been floated with a large capital in ordinary shares, conveying to the unsuspecting investor the idea of stability for the bonds or debentures for which he is asked to suscribe, while in reality all this capital was so much water, being taken by the promoters for the value of their services, the bondholder having to provide all the money for capital expenditure, and sometimes for the promotion expenses as well. The bonds in such a case have no more security than if they were the real ordinary stock of the concern, and the price at which they are issued is out of proportion to their worth. It may be worth the while of promoters to pay the bond interest until either the company can earn it or has been proved a failure. If a failure, the bondholders lose everything; if it is a success, the paper capital becomes of substantial value—a "heads I win, tails you lose" arrangement.

To show how investors have fared as regards Canadian industrial securities issued during the recent boom years we may set out a few of them with their issue prices and present quotations. A fair selection of some large concerns is given in the following table:—

Security.	Issued in London.	Issue Price.	Present Price.	Yield.
Industrials.				
Canada Cement 7% Pref.	Oct., 1909	93	96	7.2
Do 6% Bonds	Jan., 1910	100	105	5.7
Canadian Cottons 5% Bonds	Apr., 1911	94	84	5.9
Canadian Mineral Rubber 6% Deb. Stk.	May, 1909	98	77½	7.7
Canadian North Pacific Fisheries 5% Deb. Stk.	Nov., 1910	86	79	6.3
Canadian Pacific Lumber 6% Bonds	July, 1911	93	83½	7.1
Canadian Western Natural Gas 5% Deb. Stk.	Nov., 1911	90	86½	5.7
Columbia River Lumber 5% Stock	Apr., 1911	89	88½	5.6
Dominion Sawmills & Lumber 6% Mort. Debs.	June, 1910	95	30	...
Canadian Western Lumber 5% Deb. Stk.	Apr., 1910	88	89½	5.5
Land and Investment.				
Canadian Wheat Lands Shares, 5%	Jan., 1911	100	81 1-5	6.1
Southern Alberta Land Shares, 10%	Oct., 1906	100	1⅛	8.8
Do 5% Deb. Stock	Oct., 1909	100	98	5.1
South Winnipeg 5% Debs.	Feb., 1912	90	83½	5.9
Western Canada Land Shares, 5%	Feb., 1906	100	1⅛	4.4
D 5% Deb. Stock	Apr., 1910	100	101	4.9
Tramways.				
Brit. Columbia Elect. Rly. 4¼ Deb. Stock	Mar., 1907	99	98½	4.3
Do 4¼ Deb. Stock	Dec., 1908	99	98½	4.3
Do 4¼ Deb. Stock	Mar., 1911	100	98½	4.3
Do 5% Pref. Stock	June, 1912	105	106½	4.7
Do 6% Pref. Ord. Stock	Jan., 1912	110	122	4.9
Winnipeg Electric Rly. 4½% Deb. Stock	Feb., 1909	97	101	4.4
Electric Lighting and Power.				
Canadian General Electric 7%	Apr., 1912	103	118	5.9
Electrical Development of Ontario 5% Bonds	Mar., 1906	96½	96½	5.1
Toronto Power 4½% Cons. Gtd. Deb. Stk.	July, 1908	98	99	4.5
	Oct., 1911	96	99	4.5
Montreal Light, Heat, and Power Ord., 9%	Apr., 1905	92	239½	3.7
Montreal Water & Power 4½% Prior Lien Bds.	Feb., 1908	99	239½	3.7
Shawinigan Water and Power 5% Bonds	Dec., 1908	94	96	4.6
Do 4½% Deb. Stock	Apr., 1905	98	106½	4.7
	Jan., 1907	90	101½	4.4
Iron, Coal, Steel, &c.				
Canada Iron Corp. 6% Bonds	Oct., 1908	99½	99	6.1
Canadian Car and Foundry 7% Pref.	Nov., 1909	95	117	5.9
Do 6% Bonds	Feb., 1910	103	110½	5.4
Canadian Collieries (Dunsmuir) 5% Bonds	Mar., 1910	95	86	5.8
Dominion Iron and Steel 5% Mort. Bonds	July, 1909	93	100	5.0
Dominion Steel Corp. 6% Cum. Pref. Shares	Apr., 1912	92½	95*	6.3
Lake Superior Corp. 5% Gold Bonds	Apr., 1909	90	97½	5.1
Lake Superior Iron & Chemical 6% Bonds	Nov., 1910	100	77	7.7
Nova Scotia Steel & Coal 5% 1st Mt. Bonds	May, 1910	95	96	5.2
Steel Co. of Canada 6% 1st Mort. Bonds	July, 1910	102½	101½	5.9

*Less Bonus.

It will be seen that in some cases the stocks stand higher than the prices at which they were issued, but a number have depreciated heavily. Of course, a certain amount of depreciation might be expected, because the average level of the fixed interest-bearing securities has been declining. But this cause does not account for the fall of 9 points in Canadian Collieries 5 per cent. bonds, 10 points in Canadian Cotton bonds, 7 points in Canadian North Pacific Fisheries bonds, 10 points in Canadian Pacific Lumber, and 28 points in Lake Superior Iron and Chemical 6 per cent. bonds. All these companies were formed in 1910 or 1911, either as new concerns, or to take over the property of older ones, investors having only estimates to guide them as to the security for their bonds.

Holders of Dominion Sawmills and Lumber bonds had a nasty shock when interest payments stopped only eighteen months after the issue of the bonds and a drastic reorganization had to be adopted, bondholders accepting a reduction of 1 per cent. in the rate of interest. Another and more recent sensation is the slump in Southern Alberta Land shares, on the announcement of the failure of the irrigation scheme as originally presented, and on the strength of which the shares had been pushed up to 50s. with the assistance of well-placed advertisements. Many of the present shareholders must have paid more than par for their holdings, and now see them at a heavy discount on the purchase prices. The shares of Canadian Wheat Lands, which was formed to acquire some of the Southern Alberta Land Company's holding, stand below their issue price. Some of the bonds issued by established companies, which are able to show a steady record of earnings, rightly command good prices. Thus the British Columbia Electric Railway has paid regular dividends on its capital, and has made several issues of 4¼ per cent. debenture stock at par or a point under. Even in this case, however, it is not possible to say whether enough is being put aside from revenue to depreciation and renewals. The great difficulty in the way of determining the positions of nearly all the companies, and particularly those of recent origin, is the lack of comparative balance-sheets and of proper information as to the value of the assets, which may be entered at fancy prices for all the investor knows. On their good points and prospective advantages the British public is well enough informed by voluminous prospectuses and lengthy advertisements, which too often look like unpaid editorial notes. The concerns floated by honest promoters on sound property valuations may suffer with the rest when the extravagant promotion methods of the bad ones are revealed by some set-back to Canadian prosperity. It is hard to see where the remedy may be found. The simplest lies in the hand of the investor himself. If all bad promotions are rejected the sound ones will enjoy the better credit. Canada has many strong points—an excellent banking law and a sound system of local and central government. But the better the country and the greater its possibilities the more is caution requisite in the piling up of liabilities. The more London discriminates as a lender the better for Canada as a borrower.

WINNIPEG NORTHERN REALTIES.

MONTREAL.—There will be offered in Montreal within a short time $250,000 7 per cent. preferred stock of the Winnipeg Northern Realties. This is a company recently organized with capitalization of $955,000 to erect a modern thirteen storey building to be known by the name of the Prudential Trust Building, in the city of Winnipeg.

The total cost of the building will be $860,000. The architects are Ross & McDonald, of Montreal, and the contractors, Geo. A. Fuller Co., of New York. Several prominent Montrealers are among the directors of the company.

MEXICO THREATENED BY STRIKE.

Canadian Investments Up to the Present Appear to be Safe—Copper Smelter Closed.

WASHINGTON, Feb. 7.—Commerce and industry in interior Mexico are reported paralyzed by the railway strike. The American Copper Smelter at Matchuala, San Luis Petosi has given notice that it will close to-morrow night as it has become impossible to receive supplies.

Canadian investors have considerable money in Mexico, but up to noon to-day no word was received of any damage being done to them.

On the Toronto Stock Exchange the listed Mexican issues are Mexican Light and Power, Mexico Tramway and Northwest Railway of Mexico. None of them were traded in this morning.

Manufacturer! Capitalist!

Study Calgary's Growth

POPULATION.

1901	4,427
1904	10,543
1906	17,000
1908	25,000
1909	29,096
1910	42,000
1911	55,000
1912 Police Census, May 19 ..	61,340

BUILDING GROWTH.
Calgary's Building Permits

1904	$ 880,193
1906	1,097,136
1909	2,420,450
1910	5,589,594
1911	12,907,638
1912 (estimated)	20,000,000

TOTAL ASSESSMENT
Calgary's Realty Values.

1904	$ 4,099,487
1906	7,771,921
1908	17,941,698
1910	30,796,092
1911	52,747,600
1912	112,544,400

1912 Tax Rate, 12½ Mills.

BUSINESS GROWTH.
Calgary's Bank Clearings.

1909	$ 98,754,389
1910	150,677,031
1911	218,681,921

CUSTOMS RECEIPTS.

1906	$ 363,286.00
1908	426,425.00
1910	1,010,000.00
1911	1,738,473.23

Adding one thousand people to her population every month, Calgary is the fastest growing city of the American continent to-day in proportion to population. Calgary is also the leading commercial and industrial centre of the middle Canadian West, serving a trade domain of 125,000 square miles, and commanding a market of 500,000 people; Cheap power, excellent distributing facilities, a favorable labor market are offered the manufacturer. Write to-day for fuller information.

ANDREW MILLER
Industrial Commissioner
CALGARY - - ALBERTA

BONDS FOR CONSERVATIVE INVESTORS

Market conditions were never better for the investor who is looking for high interest return on safe investments. Municipal bonds yield you from 5 per cent. to 7 per cent.

Write us for particulars. We sell only what we recommend highly.

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Chicago Bo rd of Trade
Private Wires to Principal Cities
Information Furnished on Application
14 King St. W., Toronto, Canada

LOUIS N. FULLER
INVESTMENTS
NEW GLASGOW, N. S.

Vogtlandische Bank, Plauen, Germany
Branches at AUERBACH i. V., FALKENSTEIN i.V., KLINGENTHAL i.S., REICHENBACH i.V.
Paid-up Capital M. 5.500.000
Reserve Fund M. 3.900.000
Every description of Banking transacted

The London and Canadian Loan and Agency Company, Limited.

THIRTY-NINTH ANNUAL MEETING

The Thirty-ninth Annual meeting was held at the Company's Head Office, 51 Yonge street, Toronto, on Wednesday, 5th February, at 12 o'clock noon. The President, Mr. Thomas Long, occupied the chair; the Secretary, Mr. W. Wedd, jun., acted as Secretary of the meeting, and Messrs. John W. Beaty and G. G. S. Lindsey, K.C., were appointed scrutineers.

The Annual Report was unanimously adopted, and also the statements for the year ending 31st December, 1912, as presented by the Manager, V. B. Wadsworth. The Report showed that the gross earnings, including the balance (15,361.20) brought forward from last year, amounted to ... $341,251.53

The Report showed that the gross earnings, including the balance (15,361.20) brought forward from last year, amounted to		$341,251.53
And, after deducting the cost of management, interest on Debentures, and other charges, amounting in all to		184,666.26
There remained a net profit of		$156,585.27
Out of which four quarterly dividends at the rate of 7 per cent. per annum and the usual Tax on Capital and Business Tax were paid, amounting in all to		70,840.06
Leaving a balance of		$ 85,745.21
Of which $69,000 was transferred to the Company's "Rest Account," and was carried forward at the credit of "Revenue Account" to next year.		$16,745.21
The "Rest Account" now amounts to $485,000, made up as follows:		
Amount at 31st December, 1911		$400,000.00
Added from "Revenue Account" as above	$69,000.00	
Added from "Contingent Account"	16,000.00	85,000.00
		$485,000.00

During the year applications for loans on mortgages were accepted and renewed to the amount of $1,174,763 on Real Estate, valued at $3,060,000.

The total assets of the Company are now $4,861,941.

The increase in the Company's mortgages during the year amounted, to $451,393.

In accordance with the intimation made to Shareholders at the last Annual Meeting, the rate of dividend was increased from six to seven per cent., per annum, payable quarterly.

Owing to the large and profitable business, the Directors, under the powers contained in the Company's Acts, allotted to Shareholders of record on 15th December, 1912, five thousand shares at par ($50 per share), amounting to $250,000, being part of the 20,000 unissued shares of the Company's Capital Stock, in the proportion of one share of the new stock for every four shares of the then existing holdings.

The Scottish Board and Agents continue to renew the Company's Sterling Debentures as they mature, on favorable terms, and have increased the Debenture issues considerably during the past year.

The various Officers of the Company performed their duties faithfully and to the satisfaction of the Directors; and the books, accounts, vouchers and securities have been duly examined by the Auditors, and their certificate of audit is hereto appended.

Messrs. G. H. G. McVity and James George, F.C.A. (Can.), were re-appointed Auditors. The Scrutineers declared the following gentlemen elected Directors for the ensuing year: Mr. Thomas Long, Mr. Casimir S. Gzowski, Right Hon. Lord Strathcona and Mount Royal, G.C.M.G., and Messrs. Barlow Cumberland, A. H. Campbell, D. B. Hanna, C. C. Dalton and Goldwin Larratt Smith.

At a subsequent meeting of the newly-elected Board, Mr. Thomas Long was re-elected President, and Mr. Casimir S. Gzowski was re-elected Vice-President.

The North Alberta Coal Company, Limited.

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 20th day of January, 1913, incorporating Charles Bethune Lindsey, student, Arthur Frank White and Reginald Theodore Thompson, clerks, Alan Sterling Muirhead, secretary, and Charles Wilton Fleming, accountant, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz: (a) To search for, prospect, examine and explore lands and grounds in Canada supposed to contain coal, precious metals, petroleum, marl, clay and other minerals, and to search for and obtain information regarding mines, mining districts, claims and localities; To mine and extract coal and produce petroleum and generally to carry on the trade or business of colliery proprietors, oil producers and refiners, miners and engineers in all their branches, and also the trade or business of carriers by water of coal, minerals and other freight: (b) To acquire by purchase, lease, surrender, hire, pre-emption, gift, exchange or by location or shares or otherwise and own and hold under any legal title, coal, petroleum and mineral lands or lands assumed or reported to cover or contain deposits of coal, precious metals, marl, clay or other minerals, or petroleum or like deposits, mining lands, properties, mining locations or claims, surface rights, rights of way, water rights and privileges and the right to explore, prospect, develop or operate same in the Dominion of Canada, and to let or sublet any property of the company for mining or other purposes; (c) To seach for, get, work, quarry, raise, make merchantable, produce, mill, smelt, reduce, purchase and sell coal, coke, lignite, sandstone, fire clay, iron, gold, silver, copper, asbestos and other minerals and to develop coal and mineral lands held by the company; to make fire bricks and manufacture gas and other products from coal, the products of the mines of the company and to manufacture timber, saw logs, sawn lumber and lumber of all kinds upon any lands acquired or owned by the company; (d) To manufacture and sell cement and products into which cement enters, either as a part or as a whole, to dig, mine, dredge or otherwise procure marl, clay or other minerals necessary to the manufacture of cements and other products aforesaid; (e) To develop the resources of the lands and hereditaments of the company by clearing, draining, improving, building upon, mining, lumbering on and otherwise improving and dealing with same, to lay out such lands with streets, lanes and squares or otherwise and to dedicate the same, if so required, to public use; (f) To purchase, acquire, manufacture and sell all kinds of goods, chattels, effects, articles and produce of every description (except wines, spirits and fermented and other intoxicating liquors); (g) To build, acquire, own, charter or lease, navigate and use steam and other vessels for the purposes of the company; (h) To construct, maintain, lease, acquire by sale, work and operate ditches, flumes and water or other hydraulic rights necessary for the purpose of the company; (i) To build, construct and maintain all necessary roadways, wharves and warehouses, piers and docks, and to make, build, provide and carry on, use and work ropeways to be operated by steam, electric and other power, to build, construct and maintain reservoirs, aqueducts, canals, dams, water powers, roadsteads and other works necessary or convenient for the objects of the company, and to contribute to the expense of constructing, maintaining, improving and using any of such works; (j) To acquire and utilize water power for the purpose of compressing air or generating electricity for lighting, heating and motor purposes in connection with the buildings and works of the company, with authority to sell or otherwise dispose of the surplus electricity or power generated by the company's works; (k) To purchase or acquire any exclusive rights, patent rights or privileges in connection with the business of the company and any license to use and work the same, and to sell or lease any patent or patents acquired by the company or any right of selling, using or manufacturing thereunder respectively; (l) To purchase or otherwise acquire from any person, partnership or company all or any business within the objects of this company and any lands, property, privileges, rights, contracts and liabilities appertaining to the same and in connection with any such purchase to undertake the liabilities of any person, partnership, association and company; (m) To enter into any arrangement for sharing profits, union of interest, co-operation, joint adventure, reciprocal concession or otherwise with any person or company carrying on or engaged in or about to carry on or engage in any business or transaction which this company is authorized to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this company, and to guarantee the bonds or contracts or otherwise assist any such person or company, and to take or otherwise acquire shares and securities of any such company, and to sell, hold or otherwise deal with the same; (n) To promote any company or companies for the purpose of acquiring all or any of the property or liabilities of this company, or for any other purpose which may seem directly or indirectly calculated to benifit the company; (o) To purchase or acquire, hold, transfer, sell and dispose of shares, stocks, debentures or securities in any other company having objects similar altogether or in part to those of this company or carrying on business capable of being conducted so as directly to benefit this company; (p) To sell or otherwise dispose of the undertakings or any part thereof for such consideration as the company shall see fit, and in particular for shares, debentures, stock or securities of any other company having objects altogether or in part similar to any of those of this company; (q) To amalgamate with any other company having objects altogether or in part similar to those of this company; (r) To engage in any business or transaction within the company's objects in partnership or otherwise in connection with any person or company; (s) And generally to do all such other things as are incidental or conducive to the attainment of the objects aforesaid or any of them. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "The North Alberta Coal Company, Limited," with a capital stock of two million dollars, divided into 20,000 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 22nd day of January, 1913.

THOMAS MULVEY,
Under-Secretary of State.

"Johnson Temperature Regulating Company, of Canada, Limited."

PUBLIC Notice is hereby given that under the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretary of State of Canada, bearing date the 2nd day of July, 1912, incorporating Harry Whittredge Ellis, manufacturer, of the City of Milwaukee, in the State of Wisconsin, one of the United States of America, and Donald Dean Fish and Harris Earle Wallace, students-at-law, James Broadbent Taylor, accountant, and William Alfred James Case, solicitor, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz:—(a) To manufacture, import, export, sell and deal in all kinds of electric and pneumatic apparatus and appliances used in connection with heating and ventilating and air conditioning and particularly electric and pneumatic apparatus for the regulation of temperature and the control of fluids and gases; (b) To acquire, by purchase or otherwise and to sell inventions, licenses and letters patent, for all improvements in all kinds of electric and pneumatic devices and heating, ventilating and air conditioning appliances; (c) To manufacture, sell and deal in all kinds of apparatus or appliances, incident to electric and pneumatic apparatus of all kinds and to heating, ventilating and air conditioning appliances; (d) To purchase, acquire and hold shares in other corporations, notwithstanding the provisions of section 44 of the said Act; (e) To buy, sell, exchange and deal in all kinds of real and personal property, tangible and intangible, and wheresoever situate incident to the business of the company and which shall be deemed advantageous to the interests of the company. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Johnson Temperature Regulating Company of Canada, Limited," with a capital stock of fifty thousand dollars, divided into 500 shares of one hundred dollars each, and the chief place of business of the said company to be at te City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 4th day of July, 1912.

THOMAS MULVEY,
Under-Secretary of State.

BANKING NOTES

In the Toronto World appears a series of articles from the pen of a "Western Business Man." Neither the phrase nor the tone has the tang of a business man whether he comes from the east or the west. The articles however are interesting and valuable as showing what quixotic financial phantasies are abroad and to which so much publicity has been given by the press. After arguing that banking is of a "mere private or local nature" and should come within the jurisdiction of provinces this "western business man" under the head of "Branch Suckers" proceeds:

When capitalist banks are prohibited from extra-provincial "branch" deposit sponging and secreting and limited within the province of chief office to as many "branch" suckers as that particular province may elect, when a uniform Bank Act of even stringency over uneven and most dissimilar conditions, is replaced by one adapted to the wants and financial strength of each province, or even of each group of provinces, when for privileges granted by the people in common, a full money equivalent is extracted from federally directed banks for the benefit of people in common, when by such amendment to the Federal Bank Act, equal opportunity is secured to each province, to engage in banking business under federal auspices, and receive the profits and services rightfully due it, in justice, in economy and in fulfilment of terms of federal union, when provincial legislatures assume the duties, rights and obligations in municipal and civil government committed to them by imperial act, then will parliament and legislatures have asserted independence of old Canada's "moneyed interests," then will each and every unit of Dominion leap forward on a new course of material expansion. Then will units, now being depopulated, as others that show little, if any, increase, have their languishing home industries revived, their scattered populations returned,' and their dispirited and subdued peoples animated with new life and new ambitions.

COBALT TOWN SITE.

Mr. W. R. Parker, president of the Cobalt Town Site Mining Co., presented the annual statement to the shareholders for the year ending Oct. 31, 1912, in London, on January 17. In discussing the year's operations, Mr. Parker, said, "At the beginning of last year our weekly earnings were at the rate of about 25 per cent. on the capital of the company, and at the end of the year they were between 70 and 75 per cent. These should be increased in the neighborhood of 100 per cent. There should be sufficient funds to justify the increase of dividends over and above those paid during the past year. On Nov. 1st, 1911, ore reserves were estimated at 976,000 oz. During the year we mined about 1,700,000 oz, but estimate that our ore reserves are still 2,000,000 oz. At the present time we are producing weekly, 40,000 oz. of silver"

Speaking of the future of the Cobalt Camp generally Mr. Parker pointed out that the trend of feeling now was that the camp would be long-lived, the reverse of the sentiment of the earlier days. Last year was the ninth year and the year of maximum production, greatest ore reserves, greatest cash reserves, and the year of greatest dividends. Permanent improvements are being carried on by the companies and government which promise a long life for the camp. Mr. Parker estimated that the camp should last from 15 to 20 years at least.

CASEY COBALT.

A Steady Output of 15,000 Ounces Per Week Promised.

That the Cobalt camp has still a great future ahead of it was once more indicated by the report of the president of Casey Cobalt at the annual meeting of that company held in London on January 17. Mr. W. R. Parker stated that the mine would commence a regular output of 15,000 ounces per week within six weeks. This, he said, was a conservative figure and fully justified by conditions. He further stated that a dividend might soon be looked for and that Casey Cobalt had every prospect of remaining in the dividend class for a long time to come.

The Dominion Permanent Loan Company

Twenty-second Annual Report

The Twenty-second Annual Report of The Dominion Permanent Loan Company, submitted to the Annual General Meeting of the Shareholders, on Thursday, February 6th, 1912.

Your Directors submit herewith the Twenty-second Annual Report, accompanied by the Statement of Account for the year ending December 31st, 1912, certified as correct by the Auditors, who also report satisfactorily as to their inspection of the securities of the Company.

Your Directors are pleased to say that during the year the demands for funds of the Company was quite equal to the amount available for investment.

The dividends paid by the Company during the past year amounted to $70,999.68. In addition to this, there has been transferred to the Reserve Fund of the Company the sum of $30,000. There has also been written off Office Furniture and Fixtures the sum of $643.51, leaving a balance to the credit of Profit and Loss for further distribution, $29,090.24.

All of which is respectfully submitted.

J. R. STRATTON,
President.

Statement of Account for the Year ending December 31st, 1912

ASSETS.

Mortgages and other Securities		$3,803,710 91
Real Estate		15,239 89
Office Fixtures and Furniture		5,777 55
Sundry Accounts		5,309 54
Cash on Deposit and on Hand		93,495 21
		$3,921,533 10

LIABILITIES.

TO THE PUBLIC:		
Deposits and Accrued Interest		$ 221,337 27
Debentures and Accrued Interest		2,030,938 85
Sundry Accounts		613 58
		$2,252,889 70
Surplus—Assets over Liabilities		1,668,643 40
TO THE SHAREHOLDERS:		
On Capital Stock	$1,197,431 44	
Contingent Fund	5,964 68	
Reserve Fund		403,000 00
Unclaimed Dividends	45 00	
Dividends payable January 2nd, 1913	33,112 04	
Balance of Profit and Loss	29,090 24	
	$1,668,643 40	
		$3,921,533 10

PROFIT AND LOSS ACCOUNT

DR.

Interest on Debentures and Deposits	$ 106,789 58
Written off Office Furniture	643 51
Dividends	70,999 68
Transferred to Reserve Fund	30,000 00
Balance Carried Forward	29,090 24
	$ 237,523 01

CR.

Balance brought forward December 31st, 1911	$ 21,598 41
Less credited to Terminating Shares	752 60
	$ 20,845 81
Interest, Rent, etc., after payment of expenses, including Salaries, Directors' Fees, Government Taxes and Fees	216,677 20
	$ 237,523 01

AUDITORS' CERTIFICATE

We have examined the Cash Transactions, Receipts and Payments affecting the Accounts of the Assets and Investments for the year ended December 31, 1912, and we find the same in good order and properly vouched. We have also examined the Mortgages and Securities, representing the Assets and Investments set out in the above Account, and we certify that they were in possession and safe custody as on December 31st, 1912.

(Signed) HARRY VIGEON
(Signed) BRYAN PONTIFEX } Auditors
Chartered Accountants.

Toronto, January 24, 1913.

The Report was unanimously adopted.

Harry Vigeon, F.C.A., and Bryan Pontifex, C.A., were appointed Auditors for the Company for the current year.

The following Directors were then elected:—Hon. J. R. Stratton, Peterborough; D. W. Karn, Woodstock; C. Kloepfer, Guelph; T. H. Johnson, M.L.A., Winnipeg, Man.; Geo. H. Cowan, K.C., City Counsel, Vancouver, and F. M. Holland, Toronto.

The meeting then adjourned.

At a subsequent meeting of the Directors, Hon. J. R. Stratton was elected President, and D. W. Karn, Vice-President.

To provide additional capital for a rapidly increasing business, extending throughout the Dominion, I offer at private sale a limited number of 7% cumulative shares in a well established and most successful Company, at a price to return 8%—dividends payable quarterly.

Average net earnings for the past five years nearly five times the amount required for dividends on the preferred shares.

I confidently recommend these shares as a most excellent investment — For information apply to

H. A. DORSEY

Care Dominion Park Co., Limited.
Dominion Express Building.
MONTREAL

MOOSE JAW

For immediate sale we offer a block of 48 lots in

UNIVERSITY HEIGHTS

for only

$130 per Lot

Write us for terms and booklet on this high class subdivision

BARRETT-MELDRUM CO.

River Street West, - - MOOSE JAW

MOOSE JAW

Saskatchewan, Canada

Now is the time to invest in Moose Jaw, the half way house between the Great Lakes and the Rocky Mountains. The city's inside property our specialty.

CORRESPONDENCE INVITED

Richard Loney & Company, Limited

FINANCIAL AGENTS

Suite 102-3 Walter Scott Block, MOOSE JAW, SASK.

Reference:—Union Bank of Canada.

BUY INSIDE PROPERTY IN A GROWING WESTERN TOWN NOW

If you buy subdivision lots and they increase 100% in value, inside property in the same Town would increase 200% or more, and you run no risk, as inside property always has a market value and is easily sold at any time.

Weyburn will be the next big city in Sask. Population increased 1600 in 1912.

We have a few lots left in the old original Townsite which we are offering for $250 each, on easy terms. Write us at once and secure a lot which will double in value in 1913. **One hundred and sixteen lots of this property sold in Weyburn in the past few weeks.**

E. V. CAMPION & CO.

Head Office: WEYBURN, SASK. Eastern Office: 52 Market St., BRANTFORD, ONT.

All Eastern correspondence should be addressed to our Brantford office.

A City built on Solid and Permanent Foundation

COAL The centre of the Western Coal Mining Industry is Lethbridge. The monthly payroll from local mines alone is $125,000, and from mines in tributary district $750,000.00. Coal screenings for power purposes, 50 cents per ton.

NATURAL GAS Situated on the edge of the Southern Alberta gas field, Lethbridge draws from a supposedly inexhaustible supply of natural gas. Maximum domestic rate, 35 cents, and industrial rate, 20 and 15 cents.

WHEAT The estimated crop for 1912 of spring and winter wheat from Lethbridge's tributary territory is sixteen million bushels. Lethbridge is an important milling point at present, and a milling centre of the future.

MIXED FARMING The Lethbridge district is the leading mixed farming district in the West. Alfalfa growing, sugar beet growing with the manufacture of sugar; flax, malting barley and small fruit growing; hog raising and sheep fattening are branches of husbandry extensively engaged in.

The Population of Lethbridge's Tributary Territory exceeds 100,000

Manufacturers, wholesalers or other business men planning to establish in Alberta should investigate the claims of this city. Write J. L. Manwaring, Secretary, Board of Trade,

LETHBRIDGE

"A Good Place to do Business From and a Good Place to Live In.

Bank Clearings	1911	$28,503,298
Bank Clearings, first 8 months	1912	21,118,892
Building Permits	1911	1,033,380
Building Permits, first 8 months	1912	849,798

CANADIAN PACIFIC

SPECIAL CRUISE AROUND THE WORLD

EMPRESSES OF "RUSSIA" AND "ASIA"

(New C.P.R. Pacific Steamships)

The **Empress of Russia** will leave Liverpool April 1st, calling at Gibraltar, Villefranche and Port Said, proceeding via Suez, Colombo, Singapore, Hong Kong, Shanghai, Nagasaki, Kobe and Yokohama, arriving Vancouver June 7th, 1913.

Vessel remains 16 days at Hong Kong.

Empress of Asia will sail from Liverpool June 18th, making similar cruise.

Most direct connection for April 1st sailing is via "Empress of Britain" from St. John, N.B., March 21st.

RATE FOR ENTIRE CRUISE, $639.10

Exclusive of maintenance between arrival time in England and departure of "Empress of Russia," and stop over at Hong Kong.

Get particulars from Canadian Pacific Agents, or write

M. G. MURPHY, D.P.A., C.P. Ry., Toronto.

FARM SNAP

On the South Shore of Montreal, between the Southern Counties Electric Car Line and the International Automobile Highway, about twenty-five minutes from McGill Street. It is the highest farm in the district, with absolutely no bush or brush. It has an area of 114 arpents, sub-divided into 1,400 lots.

Price: $265.00

per arpent on easy terms

THIS WILL BEAR INVESTIGATION

Apply P.O. BOX 345, MONTREAL, QUE.

MUNICIPAL FINANCE

RE-ADJUSTMENT OF THE LONDON MUNICIPAL MARKET.

Sharp Decline in New Toronto Issue—Morning Post Considers Event a Turning Point—All Canadian Municipal Issues Depressed—No Support Given the Market—Alberta Decision an Important Factor.

The week just closed has been a very important one in the development of municipal borrowing. It has been realized for many months now that the volume of British capital that can be satisfied with the low return from good municipal bonds is steadily being reduced. Consequently the events of last Monday should be in no way surprising to those who have watched the bond market at all closely. The situation that developed that day in the London market is described as follows by the Morning Post:—

Yesterday was a marked day in the history and evolution of Colonial securities. Those of several leading municipalities took a long and probably permanent step away from the 4 per cent. toward 4½ per cent. type. Month by month the opinion has been gaining ground that the yield on this class of securities is becoming less and less acceptable, even to the most cautious investors. New issues must be made with a higher rate of interest, and the price of old issues has yet further to fall. Yesterday dealers acted on that opinion, moved therefore by the failure of the city of Toronto issue. The price of this stock was quoted at first at 1⅝ discount, but there was such a marked disposition to sell that it fell to 2 per cent. discount.

Permanent Change in Prices.

Dealers accepted this as evidence that the time had come to make substantial alterations in the price of similar stocks. It could fairly be said if a 4 per cent. Toronto stock would not "go" at 92½ the day of such was obviously over. In consequence many stocks of the type were marked down on Monday, 3 per cent., 4 per cent., and 3½ per cent. debentures falling a point or more. Toronto fours were marked down two points. Vancouver and Victoria fours also fell two points, while Winnipeg fours fell a point. The new Winnipeg loan now being offered, is of the 4½ per cent. type at par. Yesterday's reduction in prices was a nail in the coffin of 4 per cent. Colonial municipal loans."

The Toronto issue seems to have been the chief factor in developing the situation which must now be acknowledged to be decidedly adverse to Canadian municipalities. A decline occurred in Vancouver, Victoria and Winnipeg debentures.

The Toronto Flotation.

The Toronto issue has had a very unfortunate recordd It was first underwritten at 92½ with an underwriter's commission of 1½. Only 15 per cent. of it was absorbed by the public. The promoters have been blamed for putting the issue out at an unfavorable time, but it must be remembered that since the first of December the cities of Quebec, Saskatoon and Moose Jaw have had loans fully subscribed and at a good price. Quebec was particularly fortunate in having a 4½ sisue fairly taken up at 102. The Edmonton, Dunvegan and British Columbia issue guaranteed by the Province of Alberta suffered from the effects of the Alberta Waterways case and only 2½ per cent. of the issue was taken up by the public. The City of Toronto issue coming immediately after was affected.

Lack of Support.

Furthermore, the City of Toronto had no means of supporting the issue in an unsteady market. No support whatever was forthcoming for the declining securities. It is generally believed that a very little support would have sufficed.

It has been suggested that this depression is simply a result of a desire for readjustment. A four per cent. stock at 92½ is not on a four per cent. basis. The price should be nearer 99. However, there is no doubt that all such issues in the future will be made to bear the nominal rate of 4½ per cent.

MONTREAL POWER.

MONTREAL.—Business of the Montreal Light Heat and Power Co. for the first eight months of their fiscal year has been far ahead of last year, and augurs well for a big gain in net earnings. During the eight months ending December 31st, over 9,000 new subscribers were added to the list of the company's electric light users in the city of Montreal. This increase in eight months is much in excess of the gain in new subscribers the whole year previous, and is three to four times gain registered three or four years ago.

Profits from both the gas department and the electric have been large, in spite of the reduced rate at which the company is selling its power. It will be remembered that the company reduced its rates substantially last Spring. So good have the earnings been this year, that it has been stated by officials of the company that further reductions will be made this Spring They will be announced after the annual meeting and will be co-incident with an increase in dividend of one per cent.

MUTUAL LIFE ASSURANCE.

For many years the progress of the Mutual Life Assurance Company of Canada, while not spectacular, has been rapid. To glance at the Annual Reports for the last twenty years is to observe year after year an almost monotonous prosperity, happily unrelieved by a single calamity. The business of the company in force on Dec. 30 last was $77 921,143.88. The yearly increases have been so regular that one can almost foretell without being a prophet that within a very few years the hundred million mark will have been passed

"BUILDING FOR PROFIT."

R. P. Bolton, a member of the American Societies of Mechanical Engineers and Civil Engineers, has just issued a new book under the title "Building for Profits." It is splendidly illustrated with half-tones and charts and will be found especially useful to the builder of large edifices such as office buildings. The book goes very thoroughly into the various questions involved and at the same time is not heavy reading The De Vine Press, of New York, are the publishers.

Annual Report

OF

THE OTTAWA ELECTRIC RAILWAY Co.

FOR THE

FISCAL YEAR ENDED 31st DECEMBER, 1912.

Submitted at the 19th Annual Meeting, held on the 3rd of February, 1913.

NINETEENTH ANNUAL REPORT

Your Directors beg to present their Nineteenth Annual Report, with Statement of Assets and Liabilities on 31st December, 1912, and the Profit and Loss Account for the year.

The gross earnings for the year were $934,397.77 compared with $840,680.52 in 1911—an increase of 93,717.25.

21,815,798 passengers were carried, compared with 19,270,521 in 1911—an increase of 2,545,277.

The net earnings for the year were $400,059.07, and have been disposed of as follows:—

Four quarterly dividends of 3% and a bonus of 3%	$255,947.82
Interest on bonds and loans	21,303.66
Mileage payments	13,435.44
Taxes	9,463.16
Placed to the Credit of Contingent Account to be applied to the reduction of Track Renewal, Car Equipment and other accounts	69,000.00
Transferred to the credit of Profit and Loss Account	30,908.99
	$400,059.07

The balance at credit of Profit and Loss Account is now $138,264.83, and of Rest Account $200,000.00.

During the year a new 1,000 H.P. substation was installed on Albert Street, and land has been purchased to install two more of the same capacity, one in Lower Town and the other in the Southern part of the city. A large addition to the Cobourg street car sheds was completed, and the erection of a steam turbo generator of 4,200 h.p. on Middle street was contracted for and is now under way. With these improvements and the delivery of twenty double truck P.A.Y.E. cars, under construction by The Ottawa Car Company, our earning capcity and facilities for handling the increasing traffic will be greatly augmented.

Instead of erecting a new building for office accommodation, as proposed in last year's Annual Report, your Directors purchased the building No. 248 Albert Street which is now occupied by the headquarters and receiving office staffs.

The tracks along Sparks street and the Plaza have been renewed with a 93 lb. rail, and a small portion of the new tracks on Queen street from Elgin street to Bank street, authorized by the city, completed. The remainder of the latter work will be finished early in the spring.

The new bridge over the canal on Bank street is now approaching completion when we will be in a position to carry out the extension of our tracks to Ottawa South.

Prospects for the coming year are of the brightest character.

T. AHEARN, President.

All of which is respectfully submitted.

Ottawa, 3rd February, 1913.

STATEMENT OF ASSETS AND LIABILITIES, 31st December, 1912.

ASSETS.

Roadbed and equipment, water power property and plant, real estate and buildings	$2,631,212.75
Cash	257,740.32
Stores	37,121.18
Insurance paid on account of period beyond December 31st, 1912	5,000.00
	$2,931,074.25

LIABILITIES.

Capital Stock	$1,876,900.00
First Mortgage, 4% bonds	500,000.00
Interest on bonds, payable 5th January, 1913	10,000.00
Dividend No. 75, payable 2nd January, 1913	107,517.47
Unpaid Dividends	520.67
Accounts Payable	18,871.28
Contingent Account	79,000.00
Rest Account	200,000.00
Profit and Loss Account	138,264.83
	$2,931,074.25

PROFIT AND LOSS ACCOUNT.

DR.

Dividend No. 72, paid 1st April, 1912, 3%	$ 37,431.00
Dividend No. 73, paid 2nd July, 1912, 3%	54,692.35
Dividend No. 74, paid 1st October, 1912, 3%	56,307.00
Dividend No. 75, payable 2nd January, 1913, 3% and a bonus of 3%	107,517.47
Taxes	9,463.16
Mileage Payments	13,435.44
Interest on Bonds and Loans	21,303.66
Contingent Account	69,000.00
Balance at credit of Profit and Loss, 31st December, 1912	138,264.83
	$507,414.91

CR.

Balance at credit of Profit and Loss, 31st December, 1911	$107,355.84
Net Earnings, year ending 31st December, 1912	400,059.07
	$507,414.91

Certified Correct,

Ottawa, 3rd February, 1913. R. QUAIN, Auditor.

JAMES D. FRASER,
Secretary-Treasurer.

The Directors elected at the annual meeting were Messrs. Ahearn, Warren Y. Soper, George P. Brophy, Thos. Workman, T. Franklin Ahearn, Elbert N. Soper and James D. Fraser; and the officers elected were Messrs. T. Ahearn, president, Warren Y. Soper, vice-president, and James D. Fraser, secretary-treasurer.

Business Outlook

Continued from page 1

ishing point. Apparently the farmers are intent upon building up a cattle business that will make business more stable in the West.

Collections.

During the week there has been no improvement in the extent to which collections have been made. It is notable, however, that in the reports of so many financial corporations appearing in this issue of The Post that no complaint is made as to payment of interest upon mortgage loans. The experience of the Canada Life, with about $17,000,000 invested in mortgage loans, is a case in point. The amount of arrears of interest is infinitesimal. January deliveries of grain were very heavy, and exceeded those of January, 1912, by nearly 6,000 cars. Of spring wheat 10,157 cars were inspected as against 8,252 last year. Of oats 2,894 cars were inspected as against 1695 last year and of flax 1,773 as compared with 378. Severe weather has retarded deliveries by the farmers somewhat, and it is the general belief that a very large quantity is held by them.

Mining Output.

Reports from British Columbia as to the mineral output and prospects are very encouraging. That industry is developing rapidly. From the boundary district the output of 1912 was double that of the previous year, and the outlook is for a further increase during the present year. Granby again resumed dividend payments. Cobalt shipments are improving and according to reports at shareholders' meetings being held at this period of the year, there is likely to be a much larger production and distribution of the proceeds than there has been hitherto.

Financial Corporations.

So far as reports from manufacturing firms are concerned, those covering operations during the past year, results have been satisfactory. Enough definite information on which to base a definite opinion is not yet to hand. Bankers, however, are of the opinion that the year has been a good one, but state that a large proportion of the profits made has gone into new plants or is earmarked to go into plant.

SIR RODOLPHE FORGET'S DEFENCE

I HAVE BEEN ACCUSED OF EVERYTHING BUT MURDER.

What the Montreal Knight Had to Say in Reply to Hon. Mr. Lemieux—Makes Serious Charges Against Paris Financiers—Is Not Opposed to Full Investigation.

Sir Rodolfe Forget, in the Canadian Parliament, made the following speech in reply to Hon. Mr. Lemieux, whose attack on the Quebec merger is given on page 23, under the head of "Quebec Light, Heat and Power in Politics":

I have been accused of everything but murder and all this is due to the fact that the toll gate in Quebec has been abolished. The hon. member for Rouville also said that these bonds had been offered in Paris with the promise of a guarantee from the Quebec Railway, Light, Heat and Power Company which promise had not been carried out. The Quebec and Saguenay debentures were never sold in Paris. All these bonds were bought by the Quebec Railway, Light, Heat and Power Company, and they issued their own bonds against them and therefore there was no guarantee necessary. As far as the vigilance committee is concerned, of which the hon. member for Rouville spoke, I will produce proof, if the hon. member wants it, that these same people have been trying to do me up. I will produce proof to show that they have been again trying to blackmail me. I have telegrams and letters telling me that if I would pay them 40,000 francs they would not make any complaint in Paris and that request being refused, they came down to 30,000 francs and then to 10,000 francs. We have refused every proposition of that kind they said that they proposed to send another engineer to Canada and we said: Send on the engineer; the light is shining, everything is open for inspection, the road is earning about $2,000,000 a year and the engineer will be well received. The hon. member for Rouville asks the Government not to do anything to assist the construction of a railway on the north shore of the St. Lawrence.

The hon. member for Rouville (Mr. Lemieux) says:

"That is why I have given a friendly warning on many occasions to my hon. friend, the genial Minister of Railways and Canals. I have told him that I was so happy to see him occupying the very high position of Minister of Railways and Canals in this country, that I wanted to see him there a very long time, but that if he gave in, if he fell into the scheme, if he succumbed to the temptations of the sharks, he might perhaps find it awkward some day."

I understand from this that the hon. gentleman wishes to imply that the people who built the Quebec and Saguenay railway and all those who were associated with me in the enterprise, were sharks. He also said that there was a judgment, not against me, but against the Quebec and Saguenay Railway. There has been no judgment—not one. Our lawyer, who is a good lawyer, through some mistake, did not appear, and that was all; next day he appeared and the case went on. I think I have given all the explanation necessary to the House on this subject. I will just say that if the inquiry is granted I will be delighted to have it, because I will there demonstrate the truth of every word I have uttered to-day, as I will also show conclusively that there is not much truth in what has been said. The hon. member for Rouville referred to a meeting and asked if the Government had received a report of it. In that connection I may say that out of 100,000 shares the people to whom my hon. friend referred managed to collect 12,000. Any letters or papers that I have I am willing to show to the hon. member for Rouville. Before sitting down I again extend this challenge to the hon. member for Rouville, that I will resign my seats for Montmorency and Charlevoix if he will resign in Rouville and contest any one of the three counties with him on this issue.

SECURITY REVIEW.

(Continued from page 1)

MONTREAL. — Tightness of money has again made itself strongly felt this week; and as a result trading on the Exchange has not assumed very great proportions. Prices were mostly stationary, and rather inclined to sag. Losses and gains were both registered; but more of the former than the latter.

Detroit United was the leader in activity. Transactions in this stock were quite numerous, moving the price up to a new high level. The splendid report presented to the shareholders was probably responsible for this, as transactions after the annual meeting were at an even better figure than before the announcement.

Brazilian Traction was another of the more active securities. Though selling around its high the first couple of days of the week, it soon weakened, making rather a poor showing later on.

Canadian Pacific was a feature by reason of its weakness, reaching the lowest point this year so far. Under the nervous unsettled conditions abroad, this is not to be so much wondered at.

Power, usually among the high fliers, was much inclined to weakness.

On the whole the market has been decidedly off: trading, light, and prices, with the exception of Detroit, mostly on the downgrade. Various reasons have been given for this; but the real cause is the disturbed and unsettled conditions abroad and the straightened condition of the local money market. There is a certain amount of money available now for speculation; but the amount being loaned is very small. Those who have money will only lend it out in small quantities, preferring not to take many chances till the general situation clears up. No one doubts our industrial position which is very strong; but until the foreign outlook is brighter speculation is bound to be restricted.

MERCANTILE TRUST CO. STATEMENT.

Earned Thirteen Per Cent. on Capital.

Thirteen per cent. on paid-up capital is the record of the Mercantile Trust Co. for 1912 as indicated by the annual report submitted on Monday last. The profits amounted to $40,815.20 which with balance from last year left $45,255.20 to be distributed. After the dividends of 6 per cent. were paid, $25,000 was carried to Reserve. The latter now amounts to $60,000 or about one-fifth of paid-up capital which is $336,100.

NEW YORK STOCK EXCHANGE

Range of Prices for Week Ending Feb. 8

—	Div. Rate	Range, 1912 High	Range, 1912 Low	Closing 1 month ago	Closing 1 week ago	Range this Week Open	High	Low	Close
Amalg. Copper Co.	6%	92¾	60	76¾	73⅜	73	73⅞	71¾	72⅛
Am. Beet Sugar Co.	..	77	46⅛	38⅛	37½	37¼	37⅛	37⅛	37⅛
Am. Car & Foundry	2	63⅝	49⅝	55⅛	54	53¾	53¾	53	53
Am. Locomotive Co.	..	47⅛	31¼	42⅛	41⅜	41¼	41¾	38⅞	39⅛
Am. Smelt & Ref.	4	93	66⅛	73⅝	74	73⅝	74	72⅛	73
Am. Sugar Ref. Co.	7	133⅛	113¼	117⅛	118	117¾	117⅞	117¼	117½
Am. Tel. & Tel. Co.	8	149⅝	137⅝	139⅜	132	131¾	132⅛	131⅝	131⅞
Am. Tobacco Co., pfd	6	109	102	105¾	106	105½	105½	105¼	105¼
Am. Woolen Co.	..	31	18	..	18	17⅜	17⅞	17⅞	17⅞
Anaconda Cop. Min.	2	48	34	38¾	38	38	38	36¾	37⅛
At., Top. & S. F.	6	111¼	103¼	106	103⅞	103⅞	104	103⅜	103⅜
Atlantic Coast Line	6	148⅛	13 ¾	132⅛	131	130	130	129¾	129¾
Baltimore & Ohio	6	111⅞	101⅜	105¼	102⅝	102⅜	102⅝	102	102⅛
Brooklyn Rapid Transit	5	94⅛	76¾	92⅛	91⅛	91⅛	91¾	90	91
Canadian Pacific	7%+3%	285	256⅛	264¼	241	240⅞	241	236¾	238¾
Chesapeake and Ohio	5	85⅛	68¼	78¾	78⅝	78⅛	78⅛	77⅞	77¾
Chicago Great Western	..	20⅝	15⅝	17	16¾	16¾	17	16⅞	17
Chi., Mil. & St. Paul	5	117⅝	99⅝	115⅝	114⅛	113⅜	114	110⅜	111¾
Chino Copper	..	50⅛	25	44	42⅛	42	42⅞	40⅞	41⅞
Ch. & Northwestern	7	145	134⅛	138	137	137¼	137¼	137¼	137¼
Colorado and Southern	2	45	32½	..	31	31⅜	30	29	30
Colorado Fuel & Iron	..	43¾	23⅝	35¼	37⅛	37½	41⅛	37¼	39
Consolidated Gas	6	149½	135¾	141½	138	138	138	137	137⅛
Delaware & Hudson	9	175⅛	162	167	165⅜	..	..	..	..
Den. & Rio Grande	..	24	18⅛	23	21⅜	..	..	..	..
Dul., S. S. & At.	..	11¾	8	8⅛	..	..	..	..	..
Erie	..	39⅝	30	32⅛	31¾	31⅝	31⅝	31	31
Erie, 1st pf	..	57⅞	47⅛	48⅞	48⅛	48⅛	48¾	48¼	48¾
Erie, 2nd pf	..	48	38	39	41	..	42⅞	42⅞	4 ⅞
General Electric	8	188⅛	155	184¾	142⅛	142¾	43	142	141⅞
Great Northern, pfd	7	143¾	126	13 ⅞	128⅞	128⅞	129⅜	128	128⅛
Illinois Central	7	141⅛	120⅜	128	128½	12 ⅛	128⅞	128⅛	128¾
Interb.-Metropolitan	..	22	16¾	18¾	18¾	19	19⅛	17⅞	19⅛
International Paper Co.	..	19¾	9⅝	11¾	12⅛	12	12⅜	11	11⅛
Lehigh Valley	10	185¾	155⅜	166⅛	161⅛	161⅜	163¼	161½	161⅜
Louisville & Nashville	7	170	138	142	139¾	139⅛	139⅛	138⅞	138⅞
Mackay Companies	5	92¾	75¾	85	84⅞	84	84	84	84
Mackay Companies, pf.	4	70⅛	66	68	67	75¾	..	..	..
Mex. Petroleum	4	90⅛	62¾	72¼	74	73¾	78¾	73¾	75⅞
Minn. & St. Louis	..	27⅛	18⅛	22¾	21¾	..	..	..	..
M. St. P. & S.S.M.	7	154⅜	129	141⅝	140⅛	140	140¾	139¾	140
M. St P. & S.S.M., pfd	7	158	146	..	..	..	..	..	..
Mo., Kan. & Texas	..	31⅜	25⅛	28⅞	27⅝	..	27⅛	27⅛	27⅜
Missouri Pacific	..	47¾	35	43	42	41⅞	41⅞	41	41⅜
New York Central	5	121⅛	106⅛	108⅛	109⅝	108⅛	109	107⅝	108
N. Y., Ont. & Western	..	41⅛	29⅞	33¾	31⅛	31⅞	32	31⅛	32
Norfolk & Western	6	119¾	107¾	113⅛	110¾	110⅝	110¾	109⅛	109⅛
Northern Pacific	7	131⅛	115⅜	120⅛	119½	119⅜	120¾	118⅞	119⅜
Pennsylvania R.R.	6	126¾	119⅞	123⅛	122⅞	122⅝	122⅜	118⅞	120⅛
People's Gas, Chi	7	122½	103	115⅛	116	115¾	115¾	1 5	11 ¾
Pullman Company	8	175	158⅛	165	..	161¼	162	161⅛	161⅜
Railway Steel Spring	..	40¾	27⅛	34	..	32⅛	32¾	31⅛	32
Reading	8	179¼	148⅛	167⅛	165¾	165⅜	166⅛	164¾	165
Rep. Iron & Steel	..	35⅞	15¾	25⅞	27⅞	26¾	27⅞	26¾	27⅜
Rock Island Co.	..	30½	22⅞	24⅛	23¾	23½	24⅞	23⅝	23¾
Rock Island, pf	..	55⅞	42¼	44⅛	42½	42⅛	44	42	42⅞
St. Louis Southwestern	..	40⅞	29¾	..	..	..	..	..	..
Sloss-Shet. Steel & Iron	..	59¾	39¾	..	45¼	45	45	45	45
Southern Pacific	6	115⅛	103⅛	106⅞	108⅛	108⅛	109⅛	104⅛	104⅛
Southern Railway	..	32	26¼	28	27⅞	27	27⅛	27	27¾
Texas & Pacific	..	26⅛	20⅛	22½	20¼	20⅛	21	20¼	20⅜
Union Pacific	10	176⅛	150⅜	160⅛	160⅞	160½	162⅛	159⅝	161
U. S. Rubber	4	67½	45¾	67⅜	65¾	65¾	67⅜	65⅛	67¼
U. S. Steel	5	80¾	54¾	67⅝	65	64¾	65⅛	63¾	65
U. S. Steel, pf	7	117	107⅜	110⅛	110⅜	110⅜	110⅜	108¾	109
Wabash	..	9⅛	3¾	3⅛	3¾	4	4	4	4
Western Union Tel.	3	86¾	72	74⅞	72⅛	72	72⅛	72	72¼

THE BOND MARKET

Week ending Feb. 6

BONDS	Rate	1911 Range for year High	Low	Closing Feb. 7 Asked	Bid	Week ended Feb. 6 High	Low	Sales $
Bell Telephone Co.	5	103⅛	101¾	100⅛	100	100⅛	100	13,000
Canada Bread	6	......	......	......	90¼	93½	90	2,100
Canada Cement Co.	6	101¼	97	100	99½	100	100	3,000
Canadian Car and Foundry Co.	6	107	104	105	......	......	......	......
Can. Colored Cotton Mills Co.	6	100	99	......	......	......	......	......
Can. Consolidated Rubber Co.	6	99½	96⅛	95⅛	95	......	......	......
Canadian Cottons	5	89	83¾	81	......	83	81	5,300
Canadian Converters	6	89	85⅛	87	85	......	......	......
Canadian Locomotive	6	Listed	9. 13, '12	100⅛	......	†99	†98¾	4,600
Canada Felt Co.	6	99½	98	......	......	......	......	......
Can. Nor. Ry., Inc., Deb. Stock	5	101	97¼ 1	......	......	......	......	......
Commercial Cable Co.	4	......	......	......	......	......	......	......
Dominion Canners	6	104	101⅛	103	101½	101	101	500
Dominion Coal Co.	5	99	95⅛	100	99⅛	99¼	99⅛	5,500
Dominion Cotton Mills Co.	6	102⅛	100	102¼	102	102	102	500
Dominion Iron and Steel Co.	5	96	93	93¾	93	94	94	1,000
Dominion Textile Co., Series A	6	100	95	100	99	100	100	1,000
do do Series B	6	102	98⅛	102	99	......	......	......
do do Series C	6	97¾	95	100	99	98½	98	2,000
do do Series D	6	98	94	......	99½	......	......	......
East Canada Power and Pulp	6	96	70	......	......	......	......	......
Electrical Development Co.	5	92¾	79	......	92	92	92	10,500
Halifax Electric Tramway Co.	5	101	100	......	......	......	......	......
Havana Electric Railway Co.	5	......	......	......	......	......	......	......
Intercolonial Coal Co.	5	85	85	......	......	......	......	......
Kaministiquia Power Co.	5	......	......	......	......	......	......	......
Keewatin Flour Mills	6	103	101⅛	100	......	......	......	......
Lake of the Woods Milling Co.	6	112	106	......	......	......	......	......
Laurentide Paper Co.	6	111	110	......	......	......	......	......
Mexican Electric Light Co.	5	88⅛	84½	83	81	......	......	......
Mexican Light and Power Co.	5	92¾	86	90	89	......	......	......
Mexico North-Western Ry.	5	......	......	......	......	......	......	......
Montreal Light, Heat and Power	4½	101⅛	98⅛	99	......	99	99	1,000
Montreal Street Railway Co.	4½	101	98	100¼	100	100⅛	100	1[illegible],800
Montreal Tram. Debs.	5	85	81⅞	......	......	81⅛	81	3,700
do do Bds.	5	101	101	......	99	......	......	......
Ogilvie Flour Mills Co.	6	113⅛	112	106	......	106	106	3,000
do do do Series B.	6	113⅛	112	......	......	106	106	1,000
Penmans, Limited	5	96	93	90¼	......	......	......	......
Porto Rico Railway Co.	5	91	84⅞	93⅛	......	93½	93½	1,000
Price Bros. Co.	5	......	......	......	......	......	......	......
Province of Ontario, June 1st, 1939	4	101⅝ I	101 I	......	......	......	......	......
Quebec Light, Heat and Power Co.	5	86	78	58⅛	58	58	58	7,800
Rio de Janeiro Tramway, L. and P.	5	102¼	97	......	98	97½	97½	1,500
St John Railway	5	......	......	......	......	......	......	......
Sao Paulo Tramway, L. and P.	5	102⅛	98¼	100	......	97	97	2,500
Sherwin Williams Co.	6	99¼	98	100	......	......	......	......
Spanish River P. & P.	6	......	......	†95¾	94	96	96	1,500
Steel Company of Canada	6	100	98¼	99	98⅛	†98	†97⅞	1,000
West India Electric Co.	4	90	85	......	......	......	......	......
Windsor Hotel	4	100⅛	85	100	......	......	......	......
Winnipeg Elec. Railway Co., 1935	5	105⅛	103¼	101¾	101	100	100	2,500
Montreal City, Stock	7	172	171	......	......	......	......	......
Montreal City, Stock	4	100	97¾	......	......	......	......	......

Mercantile Trust Company of Canada, Limited

FIFTH ANNUAL MEETING OF SHAREHOLDERS

The fifth Annual General Meeting of the shareholders of the Mercantile Trust Company of Canada, Limited, was held at the Board Room on Monday, February 3rd, 1913.

The annual report of the Directors was submitted by the President showing the net earnings for the year to be 13 per cent. on the paid-up capital, and every department of the Company's business showing a substantial increase over the preceding year.

The Net Profits, after providing for salaries, advertising, rent of office premises and safe deposit vaults, commissions paid on loans (covering the full period of investment), and all other expenses of management, amount to $40,815.20. The sum of $3,505.00, brought forward from 1911, and the premium of $935.00, received from the sale of New Stock, make the total at credit of Profit and Loss Account $45,255.20, which has been appropriated in the following manner:

1. Half-yearly Dividend No. 7 at 6 per cent. per annum paid July 2nd, 1912....$ 9,531 36
2. Half-yearly Dividend No. 8 at 6 per cent. per annum paid Jan. 2nd, 1913.... 9,857 55
3. Carried to Reserve Fund 25,000 00
4. Balance carried forward in Profit and Loss Account 866 29

FINANCIAL STATEMENT, DECEMBER 31st, 1912

ASSETS.

Capital Account—		
Real Estate Mortgages	$507,274 68	
Bonds and Debentures	64,671 93	
Collateral Loan on Stocks, Bonds, etc.	22,913 78	
Real Estate	41,250 00	
Office Furniture and Safe Deposit Boxes	2,132 40	
Sundry Assets	92 84	
Cash on hand and in Bank	18,308 96	
		$ 656,644 59
Guaranteed Account—		
Real Estate Mortgages	307,847 94	
Collateral Loans on Bonds and Debentures	50,023 97	
		357,871 91
Trust Account—		
Estates, Trusts and Agency investments, under Administration by the Company, as per Inventory		1,114,077 35
		$2,158,593 85

LIABILITIES.

Capital Account—		
Capital Stock paid up (average for year, $323,150)	$336,100 00	
Reserve Fund	60,000 00	
Dividend No. 8, due January 2, 1913	9,857 55	
Special Deposits	241,820 75	
Mortgage on Real Estate, payable April 26, 1915)	8,000 00	
Balance of Profit and Loss carried forward	866 29	
		656,644 59
Guaranteed Account—		
Guaranteed Investments		357,871 91
Trust Account—		
Inventory Value of Estates, Trusts and Agencies under Administration by the Company		1,144,077 35
		$2,158,593 85

PROFIT AND LOSS ACCOUNT

For twelve months ending December 31st, 1912

DR.

To Dividend No. 7 at 6 per cent. per annum, paid July 2nd, 1912	$ 9,531 26	
To Dividend No. 8 at 6 per cent. per annum, due January 2nd, 1913	9,857 55	
		$ 19,388 91
To amount transferred to Reserve Fund from Profits	24,065 00	
To amount transferred to Reserve Fund from Premium on New Stock	935 00	
		25,000 00
To Balance carried forward		866 29
		$45,255 20

CR.

By Balance January 1st, 1912	$ 3,505 00
By Net Profit for year after deducting Cost of Management, Advertising, General Expenses, Taxes, Salaries, Directors' and Auditors' Fees, &c.	40,815 20
By Premium on New Stock sold during year	935 00
	$45,255 20

AUDITORS' CERTIFICATE

Hamilton, January 15th, 1913.

To the President and Directors of the Mercantile Trust Company of Canada, Limited:

We beg to report that we have examined the books and accounts of your Company to the 31st December, 1912, and find them correct and in good order, and we have been furnished with satisfactory vouchers for all expenditures.

We have examined all securities held by your Company and those of the Trusts and Estates in the Company's hands, and find them correctly set forth in their respective ledgers. We have further verified the Bank balances as shown by the books.

We have certified to the accuracy of the statements of Profit and Loss, and Assets and Liabilities submitted herewith, and these represent correctly the books and affairs of the Company as at the above date.

(Signed) C. S. SCOTT, F. C. A. } Auditors.
G. E. F. SMITH, C. A. }

The following Directors were re-elected: Cyrus A. Birge, C. C. Dalton, A. E. Dyment, Hon. William Gibson, J. J. Greene, T. C. Haslett, K.C., Hon. J. S. Hendrie, J. F. Kavanagh, W. H. Merritt, M.D., Stanley Mills, John I. McLaren, Henry L. Roberts, George Rutherford, James Turnbull, W. A. Wood.

At a subsequent meeting of the Directors, Hon. William Gibson was re-elected President of the Company, Mr. Cyrus A. Birge, Major Henry L. Roberts and Mr. George Rutherford, Vice-Presidents.

GRAND TRUNK DIVIDEND.

The Grand Trunk Railway has declared an annual dividend of 2½ per cent. on its third preferred stock, comparing with 1½ per cent. declared a year ago. The surplus carried forward for the year was £12,700.

CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchange, with prices at closing on Friday of each week. In stocks listed on both Exchange, prices quoted are those of the market in which a stock is the more active.

ACTIVE STOCKS

("Reserve Funds, Profit and Loss" include all Reserves except "Depreciation")

Par Value	Capital Stock Outstanding	Reserve Fund	Profit and Loss	Net Earnings % 1912	Dividends 1909	Dividends 1910	Dividends 1911	Last Dividend Date	Last Dividend Per cent.	Approximate yield % — Feb. 7	STOCK	Range 1909 High	Range 1909 Low	Range 1910 High	Range 1910 Low	Range 1911 High	Range 1911 Low	Range Year 1912 High	Range Year 1912 Low	Closing year ago Feb. 8	Closing year ago Feb. 8	Friday Feb. 8 Ask	Friday Feb. 8 Bid	Week ending Feb. 7 First	High	Low	Last	Sales
											BANKS																	
213	4,866,666	2,774,000	175,610		6 + 1	6 + 1	8	4th Oct.	s. 4	5.16	British North America	155	148¾	151	145	153	145	160 May	*145 Feb.	150	145		155					
50	15,000,000	12,500,000	771,578	19.82	8	9	10	1st Dec.	q. 2½+1	4.95	Commerce	*201	17 ½	215¼	196	237	202	230⅛ April	214¼ Mar.	216¾	216	223		*224	*224	223	223	102
100	5,000,000	6,000,000	688,109	18.38	12	12	12	1st Jan.	q. 3+2	5.93	Dominion	248	2	249½	231¼	247	222	237⅞ Dec.	223 Oct.	230		233	230	236	236¼	232½	232½	272
100	3,000,000	3,000,000	251,1[illegible]7	16.68	10	10	11	1st Dec.	q. 2¾	5.23	Hamilton	206	199	208	196	212⅛	197⅛	208 Oct.	199 June	207	205	211	210	*210½	*210½	210	*210	3
100	3,000,000	3,001,000	37,723	16.78	8	8	8¾	1st Dec.	q. 2¼	6.00	Hochelaga	*148	140	157	142	180	155	180⅛ July	163 April		‡162	159	‡155					
100	6,665,126	6,665,126	1,022,787		11	11	12	1st Feb.	q. 3	5.40	Imperial	234¾	225¼	240	219	235	220	233 May	218 Nov.		*224	223	220	221	223	220	222½	131
100	6,749,330	6,410,761	148,718	20.60	8	9	9½	1st Dec.	q. 2½	5.05	Merchants	170	160	187¾	171	201⅛	184	200½ Jan.	189½ May	200	‡198¼	201		*201	*201	*200	*20[illegible]	50
100	1,000,000	1,250,000	181,888	16.88	8	8	11	1st Jan.	q. 2½	5.00	Metropolitan					200	197	201½ Feb.	197⅛ Jan.	204		200						
100	4,000,000	4,700,000	161,828	17.12	10	11	11	1st Jan.	q. 2¾	5.41	Molsons	*211	*199½	[illegible]15	204	211	203¼	*212⅛ Feb.	*201⅛ Dec.	210	208⅛	201⅛	202	202	203	202	202½	107
100	16,000,000	16,000,000	802,815	16.90	10	10	10	1st Dec.	q. 2½+1	4.52	Montreal	254½	245	259⅛	242	270	†236	256 April	241 Dec.	247	*‡245	246	243	242½	*245	242½	*245	12
100	2,000,000	1,400,000	92,091		7	7	7	1st Feb.	q. 2	5.71	Nationale					125¼	*121¼	142 Nov.	123⅛ Jan.	124	*123	142	140					
100	1,000,000	1,790,000	30,178		13	13	13	1st Jan.	q. 3¼	4.72	New Brunswick	276	*273	273¾	266	274¾	260	262 Jan.	*253¾ June	261								
100	4,734,390	8,728,146	54,[illegible]5	23.28	12	12	13¾	1st Jan.	q. 3½	5.32	Nova Scotia	285	*276	285¾	270	281	269	278⅛ Mar.	259 Sept.	277		265	263	265¾	265½	*265	*265	20
109	3,8[illegible]1,420	4,341,420	269,559	17.94	10	11	11	1st Dec.	q. 3	5.71	Ottawa	213	205	212⅛	*200	210	208	212 Sept.	207¾ Jan.		209		210	210½	210¼	210¼	210¼	66
100	2,500,000	1,250,000	24,678	11.79	7	7	7	1st Dec.	q. 1¾	5.30	Quebec	126	122	135	122	145¼	128¼	140 Feb.	130 Dec.	132		139	‡	129	129	128¼	*129	40
100	11,560,000	12,560,000	610,219	19.19	10	12	12	1st Dec	q. 3	5.28	Royal	*233	†212	245	224⅛	242	224	234 Feb.	220 Jan.	233		227		225	228	225	228	199
50	2,390,555	2,990,555	61,383		12	12	12	1st Feb.	q. 3¼	5.70	Standard	241	†224	232⅛	219	234	217½	239 June	218 Oct.		234	225		225	225	225	225	14
100	5,000,000	6,001,000	176,578	16.96	10	10	11	1st Dec.	q. 2¾+1	3.68	Toronto	227	215	220¼	209⅛	220	201¼	*214¼ Jan.	204⅛ Jan.		‡208¼		211	211¼	211⅛	211¾	211¾	80
100	5,000,000	3,300,000	75,483	14.21	7	8	8	1st Dec.	q. 2	5.33	Union	140	130	150	139¾	*154	146	174 Feb.	149 Jan.	153	150	153	151	153⅛	153⅛	*153	*153	64
Par Value	Outstanding Common Stock	Outstanding Preferred	Bonds and Debentures	Reserve Funds Profit and Loss							**TRANSPORTATION**																	
100	95,000,000							15th Nov.	q. 1¼	6.12	Brazilian Traction L. and P.							100½ Sept.	84 Oct.			98⅞	98¾	99¾	101	97	98	15,1[illegible]
100	1,000,000	1,000,000	720,000								Canada Interlake Line Com													67	69½	67	69	[illegible]
											" " " Pre													87½	*89	87½	*89	[illegible]
100	196,806,621	66,695,097	192,472,340	134,806,891	6 + 1	7 + 1	7 + 3	1st Jan.	q. 1¾+½	4.13	Canadian Pacific Railway	189⅝	166	202	177	246½	196¾	282½ Aug.	226¾ Mar.	230⅜	229	238¼	‡238¾	240½	241¼	237	238¾	[illegible]
100	12,500,000		30,800,541	5,025,944			5	1st Dec.	q. 1¼	6.17	Detroit United	71¾	55	70	40⅛	76¾	63½	76⅛ Dec.	55¼ Jan.	58	57⅛	80¾	80⅜	80	81	79¾	81	[illegible]
100	12,000,000	10,000,000	23,212,000	Def4,091,350							Duluth, common	20	14½	15	12⅞	15¾	14½											
100	3,500,000	1,500,000	3,057,000	605,548	4	5	5	1st Jan.	q. 1¼	6.94	Duluth Superior Traction Co., com	70½	*63	81⅝	64½	86	78½	80⅛ April	70 Nov.		78½	72	71¾	72¾	72¾	71⅝	71¾	155
100	1,400,000		600,000	599,285	7	7	8	1st Jan.	q. 2	5.33	Halifax Electric	124¾	106¼	132	117	155	*129	161 Oct.	150 Jan.	160	150	160		159	160	159	160	16
100	7,463,630	5,000,000	9,769,681	1,327,132	4	6	6	18th Nov.	q. 1½	5.21	Havana Electric	103	39	95½	93	96¾	96¾	*120 April	110 Mar.									
					6	6	6	18th Nov.	q. 1½	4.95	Havana Electric, preferred	99½	83½	94½	92½	100	95⅝	123 April	100 Jan.									
100	9,968,700	5,304,600	36,632,500	1,988,233	6	6	6	1st Jan.	q. 1½	6.4[illegible]	Illinois Traction, preferred	98	90	93½	88⅞	95¾	89	95 July	89 Jan.	90	89⅛	94	92	91¼	93½	91	91¼	163
100	25,000,000		24,820,000	Def. 5,360							Mexico North Western Railway	Li't'd	Fb.10	59¾	46¼	56½	47¼											
100	16,487,400		15,083,333	3,3[illegible]6,566	6	6½	7	1st Feb.	q. 1¾	6.48	Mexico Tramways Co.	146	122	127	117⅞			126 June	112½ Nov.		*121	110	*108					
100	25,206,800	12,603,400	68,266,000	11,707,346	6	7	7	15th Oct.	s 3½	5.00	Minn., St. P. and S.S.M., com.	148¼	124	145¼	114	152	126	154½ Aug.	130 Feb.	132	131½		140	140⅝	140⅜	140⅜	140⅜	[illegible]
100	2,000,700		30,871,853	911,0[illegible]4							Montreal Tramways					44⅛	37	150 Nov.	*115 Aug.			170¾	170	*168	175	*168	170	[illegible]
100	9,000,000	1,000,000	10,737,000	1,157,911	2	3	3¾	1st Jan.	q. 1¼	6.84	Northern Ohio Traction	36½	24	40	33½	54	39½	76 Dec.	58⅛ Jan.	59	57	77	73					
100	3,000,000	500,000	2,877,000	316,5[illegible]1		7	4	2nd Jan.	q. 1	5.63	Porto Rico Railways Co.	52	35	54	34⅞	74¾	50½	84½ May	70 Dec.	75½	74¾	72		*72	*72	*71¾	*71¾	18
100	9,999,500		10,606,400	91,613			4	passed		8.00	Quebec Railway L. Heat & P. Co	69	38¾	61½	34	60	53	60 Feb.	10¼ Oct.	49¼	49¾	20¾	20¾	16¼	20	16¾	19¾	[illegible]
100	[illegible],311,875		1,233,633	715,189	5	6	6½	1st Dec.	q. 2	6.84	Richelieu and Ontario	94¾	77	95	77	126½	92½	126 Jan.	103 Sept.	121⅛	121⅜	117	116⅞	117	118	116¾	118¾	[illegible]
100	860,000			195,279	8	3	5	1st Jan.	a. 5	4.62	St. Law. & Chi. Steam Nav. Co.	128⅛	105½	119	90	100	84¼	117 Sept.	90 Jan.	95	90		108	106	110	106	110	110
100	13,875,000		13,257,000	2,016,829			passed				Toledo Railway	14¾	6	15½	7⅛	8¾	7	10¼ April	3 Dec.									
100	10,97[illegible],600		3,897,633	4,024,291	7	7	7½+sb	1st Jan.	q. 2	5.67	Toronto Railway	130	107¾	129⅝	110¾	169	121⅞	151½ July	131 Jan.		134½	142	141½	142½	142¼	140	141	710
100	9,000,000	2,826,200	10,999,000	796,102	6	6	6	1st Jan.	q. 1½		Tri-City, preferred	93⅛	84¾	94	90	94¾	*90	94¾ Feb.	93 Feb.									
100	20,100,000	3,000,000	19,503,000	1,459,457	6	6	6	1st Jan.	q. 1½	5.60	Twin City, common	116¾	96½	117	103	111	103¾	111 Sept	101⅝ Dec.	106	105¾	107		106¼	107	106	106	[illegible]
100	9,000,000		7,434,602	2,060,883	10	10	11½	1st Jan.	q. 3	5.54	Winnipeg Electric	190	156	199¾	176	255	185	209 Mar.	‡210 April	265	264½	216		*216	*216	214	214	147
											TELEGRAPH LIGHT AND POWER																	
100	15,000,000		3,991,648	3,293,258	8	8	8	15th Jan.	q. 2	5.19	Bell Telephone	150	138	148	141	153	*140	176½ Oct.	145 Jan.	148	147	155¾	†154	155¾	156	*154¼	154½	172
50	4,984,500			3,220,551	10	10	10	1st Jan.	q. 2½	5.31	Consumers Gas	207¼	*195½	207	*198	203⅛	191	*196 Sept.	189 Dec.	195			187¾	*188	*188	187¾	187¾	27
100	41,380,400	50,000,000		950,838	5	5	5	1st Jan.	q. 1¼	5.95	Mackay, common	95½	69¾	97⅞	78⅝	95	76	92⅛ July	75⅛ Feb.	79	78¾		84	84½	84½	84	84	[illegible]
					4	4	4	1st Jan.	q. 1	5.97	" preferred	77½	69	78	67⅞	77	68	71¼ Mar.	66 Dec.	70¼		70	65	67	67	66¼	66¼	[illegible]
100	13,585,000	6,000,000	26,382,708	1,412,011	4	4	4	20th Jan.	q. 1	5.00	Mexican Light and Power Co., com	89	63¼	89½	66	93	80	103½ June	80 Oct.	84	83	82	81					
					7	7	7	1st Feb.	s. 3½		" " pref	107½	103¾	103¾	99¼	109	103	104⅞ Feb.	104⅞ Feb.					102¾	102¾	102¾	102¾	[illegible]
100	17,000,000		10,117,000	3,585,018	7	7	8	15th Nov.	q. 2¼	3.80	Montreal Power	136¼	109	161¾	102⅜	193½	141	242½ Sept.	187 Jan.	188⅛	*188¾	235¼	235	236⅛	237½	234	236	[illegible]
100	1,984,400			569,477	6 + 2	5 + 2	7 + 1	1st Jan.	q. 1¾	3.66	Ottawa Light, Heat and Power Co.	108¾	100	131	109	165	†127	175¾ Oct.	145½ Jan.	151	150	191	190¼	192	192	190	191	145
100	10,000,000		9,790,000	643,594	4	4	5	20th Jan.	q. 1¼	3.57	Shawinigan Water and Power Co.	103⅛	85⅛	111¼	92	124¼	108⅛	154¾ July	122 Jan.	125	124	141¼	140¼	*145	148¾	140	140	129
											INDUSTRIALS AND MISCELL'OUS																	
100	1,511,400	635,000		668,350	7	7	7	20th Nov.	s. 3½	4.45	British Col. Packers, A.	102	70	87	*68	96	84	160⅛ Oct.	*95 Jan.		95	154		154⅛	154½	151⅛	151⅛	[illegible]
							5	20th Nov.	s. 3	3.92	" " " Com.			39⅛	25	79¾	39	161 Oct.	65 Feb.	72	70		152¼	158⅜	159⅞	151	151⅛	[illegible]
100	2,500,000	1,430,000	35,000	186,362		6	6	1st Jan.	q. 1½	6.06	F. N. Burt Company, com	59¾	53	96	59	118¾	96⅛	117 May	*95 Dec.		112⅛	101						
					7	7	7	1st Jan.	q. 1¾	6.66	" " " pref	93½	91⅛	107⅞	94	122¾	108	119⅜ May	*101 Dec.		115⅞	105		*104⅛	105	104¾	104⅛	46
100	653,400	1,250,000	1,250,000	1,365							Canada Bread, common							38¾ July	29⅞ Nov			32	31	31	31½	31	31	[illegible]
100	1,177,500		595,500	32,713							Canada Machinery							65 Dec.	19 Oct.			62	61	61¼	61¼	61⅛	61⅛	[illegible]
100	13,500,000	10,500,000	6,256,966	576,802							Canada Cement, com			25	15	31¼	20	31¼ Aug.	26 June	29	28½	28⅜	27½	28	28⅜	28	28	[illegible]
							7	16th Nov.	q. 1¾	7.52	" " pref			90⅝	78	92	80	95⅛ Aug.	87 Feb.	87⅛	*87	92⅜	92¾	92	93	92	92	[illegible]
10	6,000,000		15,421,127	4,096,0[illegible]7	8	8	8	1st Jan.	q. 2¼	4.54	Canada Permanent	163¾	140	170⅛	158⅛	176¾	159¾	202½ July	174 Jan.		180½	198		198¾	199	197½	197¾	[illegible]
100	3,975,000	6,100,000	4,533,3[illegible]6	1,73[illegible],932				1st Dec.	s. 2	4.87	Canadian Car and Foundry, com			65	*60	75	*62	92 June	61 Feb.	61	59	82½		82⅜	83	81½	82	[illegible]
								25th Jan.	q. 1¾	6.19	" " " pref			104	98	109	101¾	116¾ Sept.	102 Feb.	102¾	102	117		117	117	117	117	[illegible]
100	1,250,000	1,250,000	750,000								Canadian Cereal & Milling Co., com					20	17											
								Passed			" " " pref					85	80											
100	1,733,500		444,000	141,700				15th Nov.	q. 1		Canadian Converters	47	36	46½	33	45¾	32¾	48 Oct.	30½ Jan.	37	33⅛	48½	47½	49	49	48	48	30
105	2,715,000	3,575,000	3,800,000	620,760							Canadian Cottons, Limited, com					24⅛	*17	35¾ Sept.	16¾ Jan.	20	15	39¾	39	36	39	38½	38¾	[illegible]
								2nd Jan.	q. 1½	7.77	" " " pref					79	60	78½ Dec.	69 Feb.	70	69¾	78	77	77	78	76¾	77⅛	170
100	2,000,000	1,500,000	1,500,000	96,148							Canadian Locomotive Co., Com					35	30½	63½ Nov.	28⅛ Jan.		31	70½	68¼	*67	*67	*67	*67	9
								1st Jan.	q 1¾	7.44	" " " Pref					93	88	98 Sept.	83 Jan.		88	95	93¾	95	95	95	95	75
100	2,802,440	1,972,850	2,579,600	101,837	4	4	4	1st Jan.	q. 1	4.44	Can. Consolidated Rubber, com	106	27	102½	90	99¼	85	86¼ June	84 Sept.		86	90	85					
					7	7	7	1st Jan.	q. 1¾	7.07	" " " pref	125	83	119¾	100	106	100	*100 Mar.	*100 Mar.			99	98½					
100	5,640,000	2,000,000	350,000	2,345,311	7	7	7	1st Jan.	q. 1¾+1	6.95	Canadian General Electric com	123	101	120	104	116⅝	99	122¼ Oct.	107 May	114		114½		115	115	114¾	115	[illegible]
					7	7	7	1st Jan.	s. 3½		" " " pref	*112	110	112	112	114	112											
100	565,000	700,000	59,958	84,002	2	2	2	1st Jan.	s. 1	3.85	City Dairy, common	35	15	40¼	*29½	60	35	61½ Jan.	48 Aug.	57⅛	56¾	52½						
					7	7	7	1st Jan.	q. 1¾	7.07	" " pref	102½	85	100½	96½	103¾	94¼	102½ May	98 Dec.		100	100		100	100	100	100	15
5	4,000,000			1,361,819	9	6	36	1st Feb.	6 + 3	22.50	Coniagas Mines, Ltd					7.00	6.00	8.25 Dec.	6.70 April		*6.75	8.75		8.80	8.80	8.22½	8.65	[illegible]
1	1,999,957			764,851	60	60	24 + 36	15th Dec.	2 + 3	17.46	Crown Reserve	6.00	2.60	4.10	2.55	362	240	3.70 Nov.	2.90 Jan.	3.00	*2.99	3.57	3.56	3.60	3.60	3.50	3.56	[illegible]
100	2,143,000	2,170,000	1,012,462	428,557				Jan. 6			Dominion Canners, com					73	60	86 Dec.	60 Feb.	64	62	78	77¾	*78½	79¾	78	78	[illegible]
							7	1st Jan.	q. 1¾	6.86	" " pref					105	*97	105 Jan.	100 Nov.	103								
100	30,6[illegible]6,80[illegible]	7,000,000	23,595,577	784,945			4	1st Jan.	q. 1	7.14	Dominion Steel Corporation, com			67	50¼	63½	50¼	69¼ May	54¼ April	60½	60	56¼	56½	56¼	56½	56	56¼	1,[illegible]
100	20,000,000	5,000,000	17,557,846	2,057,09[illegible]			4	1st Jan.	q. 1		Dominion Steel, common	72⅝	19	72⅛	62¾													
					7	7	7	1st Jan.	s 3½	6.86	" " preferred	138	69⅞	140	100	106	100	106¾ June	100 Mar.	104¼	103	104	102	102¾	103	102	102	[illegible]
100	15,000,000	3,000,000	10,526,887	1,338,947	4		4	1st Jan.	q. 1		Dominion Coal	93¾	43	91⅛	63¾	57⅛	57											
					7	7	7	1st Feb.	s. 3½	6.25	" " preferred	120	96	120	105	115	106	*115 Jan.	106½ Aug.	112		115		112	112	112	112	[illegible]
100	5,000,000	1,864,373	3,632,666	630,235	5	5	7	1st Jan.	q. 1¾	6.02	Dominion Textile, common	79¾	57⅛	75	*59¾	75	61	83¾ Dec.	65½ Feb.	66	65¾	85	84¾	82	82	81¾	82¾	[illegible]
					7	7	7	15th Jan.	q 1¾	6.66	" " preferred	110	95	110	97	106	96¾	105⅛ Nov.	99 Jan.	102	101¾	103⅛		*103⅛	104	102	104	[illegible]
100	1,750,500	1 2, 50,000	1,435,000	231,288							Goodwins, Limited, common							48⅛ Aug.	45 Oct.			44	42					
								1st Jan.	q. 1¾	8.43	" " preferred							87¼ Aug.	83⅛ Nov.			83⅛	83	83⅛	83⅛	83⅛	83⅛	[illegible]
100	745,000	745,000	417,000	774,307				1st Jan.	q. 1½	5.71	Goulds Manufacturing Co., common					101	98	112⅛ July	110 May									
								1st Jan.	q. 1¾	7.00	" " " preferred					102⅛	100	100¼ Mar.	100 Mar.									
100	1,996,880		217,683	562,570	9	9	9	1st Jan.	s. 4½	6.92	Great West Per. Loan					119⅞	119⅜	135 Aug.	125 Jan.			130⅜						
100	40,000,000		8,800,000	470,496							Lake Superior Corporation	33⅞	14½	129	112	29¾	21½	34 Sept.	28 Feb.	28	27		30⅛					
100	2,100,000	1,500,000	900,000	817,457	6+10	7+5	8	1st Dec	q. 2	5.92	Lake of Woods Milling	145⅛	97⅛	153	119	152	*133¾	145 April	125 Dec.	135	133	143		141	142	140	140	147
					7	7	7	1st Dec.	q. 1¾	5.83	" " " preferred	128	118	128	121	130	117	122 Jan.	115 Dec.	125	120	119		*119⅛	*118¾	*118⅛	*118¾	3
5	7,493,135			1,551,42[illegible]	8	8	8	20th Jan.	q.2½+2½	20.00	La Rose Cons. Mines Co.	8.47	4.20	5.02	3.30	5.00	3.78	4.10 Mar.	2.15 Oct.	3.97	3.94	3.10	3.05	3.10	3.13	3.05	3.10	[illegible]
100	7,200,000		878,198	242,186			4	2nd Jan.	q. 2	3.50	Laurentide					160	136	240 Sept.	155 Jan.	157¼	155	229	227	229½	229⅛	229	229	46
100	2,500,000	2,500,000		111,095							Maple Leaf Milling, common			57¼	40	70	39	73 June	60 Nov.	64⅜	64	62½	62	62⅜	62⅜	64	62	[illegible]
						3½	7	18th Jan.	q. 1¾	7.14	" " " preferred			99	88¼	104	89½	103 May	94 Nov.	98⅜	97½	98⅜	97½	98	98¾	97¾	98	[illegible]
100	3,000,000	3,000,000	904,258	2,326,186				15th Dec.	q. 1		Montreal Cottons Ltd., Com					55	52	66 Oct.	45⅛ April	50	48	62	60					
							7½	15th Dec.	q. 1¾	6.73	" " " Pref					104	103	107 April	100 Mar.	103	102	105		104	105	104	105	[illegible]
100	1,275,000	750,000						1st Feb.	q. 1½		Monarch Knitting, common							93 June	85 Dec.			37						
								1st Feb.	q. 1¾	7.14	" " preferred							95 June	91 Sept.			95		*95	*95	*95	*95	[illegible]
5	6,000,000			1,205,153	30	30		20th Jan.	q.5+2½	18.75	Nipissing Mines Co.	12.91	9.25	11.75	9.50	11.30	6.52	9.80 Dec.	8.75 Jan.	7.75	7.25		8.95	8.92	9.00	8.85	8.90	[illegible]
100	6,000,000	1,030,000	5,933,900	1,320,735	4	5		15th Jan.	q. 1½	7.05	Nova Scotia Steel, common	87⅛	54¼	91¼	68⅛	102	85⅛	97¾ May	81⅛ Dec.	94⅛	94	86	85	84⅛	85	84¼	85	[illegible]
					8	8	8	15th Jan.	q. 2	6.55	" " " preferred	*122	*114	125	118	130	120	130 Jan.	*121 Oct.	130	125	125	122	*123	*125	*123	*123	[illegible]
100	2,500,000	2,000,000	1,750,000	510,483	8	8	8	1st Jan.	q 2	6.34	Ogilvie Flour, Common	144¾	112	142½	119	136¾	121	133 May	*121 Dec.	127	125	127	125	*127	127	*127	127	[illegible]
					7	7	7	1st Dec.	q. 1¾	5.83	" " preferred	128	*118¾	128	123	127	121	125 Sept.	*118 April					118	118	118	118	[illegible]
100	650,000	650,000		21,235			2	1st Jan.	s. 1	4.00	Pacific-Burt Co., common			45	39½	48½	*37	51⅛ May	*38⅝ Jan.		39		40	40	40	40	40	[illegible]
						1½	7	1st Jan.	q. 1¾	7.77	" " preferred			95¾	92⅜	98	88	94 May	87⅛ Dec.		88		98	98	98	98	98	[illegible]
100	2,150,600	1,075,000	2,000,000	810,414	4	4	4	15th Feb.	q. 1	7.01	Penmans Limited, common	66	42	63⅛	51	63⅛	54¾	61⅛ Jan.	54⅛ Dec.	58	*56¼		55	57	*57⅜	57	*57⅜	[illegible]
5					6	6	6	1st Feb.	q 1½	7.14	" " preferred	93⅛	84	90	80	90	83½	89 Feb.	85 Oct.	89	88			86⅛	86⅛	84	84	[illegible]
100	1,500,000	900,000		434,237	10+1	10 + 20	10	1st Jan.	q. 3	6.97	William A. Rogers, Ltd, common	152	101	205⅛	146⅛	210	173⅞	207 Feb.	170 July	200	199	173						
					7	7	7	1st Jan.	q. 1¾	6.08	" " preferred	111	97	112	104⅛	115	106¼	116⅛ Feb.	110 Jan.		111	115		114⅛	114⅛	114¼	114⅛	[illegible]
100	800,000	1,200,000		319,209			3½	1st Feb.	q. 1¾	7.77	Russell Motor Car, com			listed		100	90	115 June	92 Nov.	103¾	*103	92		9[illegible]	91	89¾	90	[illegible]
							3½	1st Feb.	q. 1¾	7.14	" " pref			listed		106⅛	101	118 May	99 Nov.		*106	99		*98¼	*98¼	*98¼	*98¼	[illegible]
100	1,500,000	1,500,000		256,726							Sawyer-Massey Co, com					40	25	53 Nov.	35⅛ April	41	40	51	48	50¼	50¼	50	50	[illegible]
							7	1st Sept.	s. 3½	7.14	" " pref					93⅛	85	99⅛ Aug.	89 Feb.		95	100	98	*99⅛	*99⅛	98⅞	99	[illegible]
100	4,000,000	3,000,000	2,442,14[illegible]	300,000							Sherwin-Williams, com					38	26	59 Dec.	35⅛ Feb.	37	36		59¾	59⅛	60¼	59¾	60	[illegible]
								1st Jan.	q. 1¾	6.93	" " pref					97	86¼	101¼ Sept	93 Jan.	95	93			*103	*103	*103	*103	[illegible]
100	8,750,000	1,250,000		915,451	3	3	4 + 1	1st Jan.	q 1+1	6.1[illegible]	Shredded Wheat, common	43½	29	50	*43	75¾	*48⅜	86 Nov	75⅛ Jan.	80¼		81½	80					
					6	6	6	1st Jan.	q. 1½	6.45	" " preferred	97½	97½					94 Nov.	90 May				92⅜					
100	450,000	600,000		174,280			2½	31st Dec.	q. 1¼	5.83	Smart Bag, common					81	60	160 Sept.	80 Jan.		81		120					
					7	7	7	31st Dec.	q. 1¾	6.73	" " preferred					105	100	110 May	100 Feb.	102	98							
100	2,000,000	1,500,000	2,066,000	91,551							Spanish River Pulp, common							70 Dec.	41⅛ Mar.	35	34	71¼	71⅛	70¾	72⅜	70	70½	[illegible]
100							7	15th Jan.	q. 1¾	7.21	" " " preferred							97 Dec.	88 Nov.	86		97⅛	90⅛	97⅛	97⅛	97	97⅛	[illegible]
100	11,500,000	6,496,300	7,530,000	601,796							Steel Co. of Canada, com					36⅛	25	36¼ Jan.	27 Sept.	34⅛		25⅛	25	25⅞	27	25¼	25⅛	[illegible]
							7	1st Feb.	q. 1¾	7.86	" " pref					92	87	93 Oct.	87 Feb.	89		90	88	*89	89¾	*89	89⅛	41
100	650,000	1,000,000		66,874							Tooke Bros., Com					40⅛	36⅛	54¼ Oct.	35 Mar.	39		57		58	59	57	57⅜	115
100							7	15th Dec.	q. 1¾	7.60	" " pref					90	86	92¼ Oct.	86 Oct.	89		92½	91⅞	92¼	93	92¼	92⅛	112
100	750,000		500,000					15th Jan.	q. 1¼	5.88	Toronto Paper Co.							72 Sept.	68 Nov.			88		84	84	84	84	10
1	1,000,000			158,909	25	20	20	10th July	10	37.02	Trethewey Cobalt Mine	164	129	145	113½	121½	59	77 Jan.	30 Sept.	75	70¼	40⅛	39					
100	2,500,000	2,000,000									Tuckett Tobacco, common							59⅛ Dec.	55⅛ Nov.			58¾		59	59	59	59	175
											" " preferred							94 Nov.	93⅜ Dec.					96	96	97	96	54

s—Semi-annual. q—Quarterly. Def.—Deficit. *Ex-div. +Bonus. †Ex-allotment. b—Two months. s b.—Stock Bonus. e. Four months. *Less than ten shares.

INACTIVE STOCKS

Par Value	Common Stock Outstanding	Bonds Prefer'd Stock or D'b'n'res Outstanding and Int.	Reserve and Contingent P. & L.	Dividends 1912	Last Dividend Date	Per cent	STOCK	Range for year 1911 High	Low	Range for Year 1912 High	Low	Latest Price Ask	Bid	Last Sale
							LOAN AND TRUST							
100	1,205,000	3,935,298	834,347	8	2nd Jan.	s. 4	Canada Landed	171	151	169	154	169¾		*169⅛
100	1,750,000	4,901,390	1,575,304	10	1st Jan.	q. 2½	Central Canada	197½	197¼				187½	*190
10	20,000	d 703,079 p2,423,636	120,362	5	1st Jan.	s. 2½	Col. Investment, pref	76	66	80¾	73½		80	80¾
50	934,711	d 401,827	164,266	4 + ¾	2nd Jan.	s.2+½	Dominion Savings	72½	72	78	*75		77	78
100	1,160,000	1,427,265	760,294	7	1st Jan.	s. 3½	Hamilton Provident	133	130	135	132½		132¼	*132
50	2,000,000	7,587,268	2,090,222	10	1st Jan.	q.2½+½	Huron and Erie	203	200	206	204		200	*206
100	735,563	570,495	135,856	5½	2nd Jan.	s. 3	Imperial Loan	60	60					
100	700,000	1,000,564	482,284	7	2nd Jan.	s. 3½	Landed Banking	138	134	140	139		139	140
50	1,000,000	3,3[illegible]1,8[illegible]6	501,745		2nd Jan.	q. 1¾	London and Can. Loan	120⅞	107½	130	*116		120	120
50	741,865	1,049,143	231,757	6	1st Feb.	q. 1½	London Loan and Sav.							
25	600,000	110,800	569,529		15th Dec.	q. 2¼	Montreal Loan	157	138	167½	140	200	165	165
100	1,500,000		1,414,765	10	1st Jan.	q. 2½	National Trust	206	204	214	205¼		212¼	214
50	1,750,000	3,165,600	1,392,332		1st Jan.	q. 2	Ont. Loan and Deb	165	155	*165	*164		167	172
40	498,279	498,834	145,350	6	2nd Jan.	s. 3½	Real Estate Loan	101	97¾	105	95		106	*100
100	1,250,000		1,186,471	10	1st Jan.	q 2½	Toronto Gen. Trusts	180	171	203½	178		193¼	193¼
50	724,550	1,541,064	1,005,318	7	2nd Jan.	q. 1¾	Toronto Mortgage Co.	140	*139¾	138¾	131½		134	140
100	1,000,000	1,747,859	764,477	10	1st Jan.	q. 2½	Toronto Savings	185	185				200	185
100	1,000,000		782,541	10	1st Jan.	q. 2½	Union Trust	175	170	180	180	180	178	*180
							OTHER COMPANIES							
100	1,000,000		3,596,250	8	1st Oct.	s. 4	Canada Life Assurance	165	165	170	170			170

Par Value	Common Stock Outstanding	Bonds, Prefer'd Stock or D'b'n'res Outstanding	Reserve and Contingent P. & L.	Dividends 1912	Last Dividend Date	Per cent.	STOCK	Range for year 1911 High	Low	Range for Year 1912 High	Low	Latest Price Ask	Bid	Last Sale
100	500,000		143,027		1st Jan.	q. 2	Canadian Salt	110	100	*115	*110		120	120
1	59,157		1,934,527	A	A		Can. North-West Land	99	99					99
100	100,000		1,815,260	20	31st Dec.	q. 5	Confederation Life A							300
100	6,212,666		Def52,0[illegible]0		1st July '11	1	Crows Nest Pass Coal	*77	*70			80		70
50	1,000,000		292,993		15th Jan.	q. 1½	Dominion Telegraph	111	100	107⅛	100		100	100
100	1,300,000						East Canada P & P	56½	32	42	5			5
100	3,460,700	10,080,000					Electrical Dev., pref	*66¼	50	86	66		85	85
100	450,000		153,031	9¾	1st Jan.	q. 2½	Imperial Life Assur							30
100	500,000	b 237,000	90,474		1st Mar.	s. 2	Intercolonial Coal	55	*45					*[illegible]
100		219,700			1st Mar	s. 3½	Intercolonial Coal, pfd.	80	80					8[illegible]
1	3,000,000		625,090	4½	1st Aug	q. 1½	Intern. Coal and Coke	72	64					40
100	2,000,000	b1,968,000	218,342	3	15th Feb.	q. 1¼	Kaministiquia Power	95	95	128	100			12[illegible]
100	406,200	b 102,083	202,054	passed	1st Dec. '08	1½	London Electric							[illegible]
40	552,000	b 575,000	60,461	6	2nd Jan.	int. 3	London Street							[illegible]
40	2,000,000		114,022	8 + ¼	15th Jan.	q. 2	Montreal Telegraph	150¼	144	*150	146			*143
100	1,025,000	b1,183,000	248,379				Nia., St. Cath. and Tor.							10
100	800,000	b1,000,000	121,933		19th Jan.	q. 1½	Saint John Ry.	110	106					73¾
£1	1,164,000	b 720,000	158,151		10th July	q. 1¼	Trinidad Electric							
100	722,800		397,375		1st July	sr 3	Union Life Association							
100	1,500,000	b1,752,287	415,719	8	15th Dec.	q. 2	W. Can Flour Mills	125	125	*125	*125			125
100	800,000	b 600,000	375,018		1st Jan.	q. 1¼	West India Electric	100	98					70

NOTE—s—means semi-annually; q—quarterly; I—Interim; L—profit and loss; +—indicates bonus; b—means bond; p—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus.
A—$5.00 per share return of capital paid February 1st, September 25th 1911 and May 1st, 1912.

DIVIDEND ANNOUNCEMENTS.

The Royal Bank of Canada

DIVIDEND NO. 102

Notice is hereby given that a dividend of Three per cent. (being at the rate of twelve per cent. per annum), upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Saturday, the 1st day of March next, to Shareholders of record of 15th February.

By order of the Board,

E. L. PEASE,
General Manager.

Montreal, P.Q., January 14, 1913.

The Canadian Bank of Commerce

DIVIDEND NO. 104

Notice is hereby given that a quarterly dividend of 2½ per cent. upon the capital stock of this Institution has been declared for the three months ending the 28th February, 1913, and that the same will be payable at the Bank and its branches on and after Saturday, 1st March, 1913, to shareholders of record at the close of business on the 14th day of February, 1913.

By order of the Board,

ALEXANDER LAIRD,
General Manager.

Toronto, 22nd January, 1913.

Bank of Hamilton

DIVIDEND NOTICE

Notice is hereby given that a Dividend Notice of Three per cent. (Twelve per cent. per annum) on the paid-up Capital of the Bank, for the quarter ending 28th February, has this day been declared, and that same will be payable at the Bank and its Branches on 1st March next. The Transfer Books will be closed from 21st to 28th Feb., both inclusive.

By order of the Board.

J. TURNBULL,
General Manager.

Hamilton, 20th January, 1913.

THE WEYBURN SECURITY BANK

DIVIDEND NO. 3.

Notice is hereby given that a dividend at the rate of five per centum per annum upon the paid-up capital stock of this Bank has been declared for the six months ending 31st December, 1912, and that the same will be payable at its Head Office and branches on and after the First day of March, 1913.

By order of the Board.

H. O. POWELL,
General Manager.

Weyburn, 10th January, 1913.

The Merchants Bank of Canada

QUARTERLY DIVIDEND.

Notice is hereby given that a dividend of Two and one-half per cent. for the current quarter, being at the rate of Ten per cent. per annum, upon the Paid-up Capital Stock of this Institution, has been declared, and that the same will be payable at its Banking House in this city and at its Branches, on and after the 1st day of March next, to Shareholders of record at the close of business on the 15th day of February.

By order of the Board.

E. F. HEBDEN,
General Manager.

Montreal, 24th January, 1913.

Bank of Montreal

NOTICE is hereby given that a DIVIDEND OF TWO AND ONE-HALF PER CENT. upon the Paid-Up Capital Stock of this Institution has been declared for the three months ending 31st January, 1913, and that the same will be PAYABLE at its Banking House in this City, and at its Branches, on and after SATURDAY, the FIRST DAY OF MARCH next, to Shareholders of record of 31st January, 1913.

By order of the Board,

H. V. MEREDITH,
General Mangaer.

Montreal, 21st January, 1913.

Crown Reserve Mining Company, Limited

DIVIDEND No. 36

Notice is hereby given that a Monthly dividend of 2 per cent. for the month of January, 1913, and a bonus of 3 per cent. for the same period, making a total payment of 5 per cent. has been declared, and will be payable on the 15th of February, 1913, to shareholders of record the 31st January, 1913.

Transfer books will not be closed.

Dividend cheques will be mailed on the 14th February by the Transfer Agents, "THE CROWN TRUST COMPANY," and shareholders are requested to advise them of any change of address.

By order of the Board.

JAMES COOPER,
Secretary-Treasurer.

Montreal, 13th January, 1913.

BOND DEPARTMENT.

(Continued from page 6)

$150,000 will be raised for a winter fair building.

Calgary, Alta.—Special legislature will be asked of the provincial government to raise $30,000 by debentures for the purpose of buying horses, motor trucks and equipment for corporation work.

Calgary, Alta.—A movement is on foot, whereby an attempt is being made to quash the $1,000.000 by-law, providing cost of proposed bridge over Bow river.

Stratford, Ont.—A by-law will probably be submitted to the ratepayers shortly, whereby the city will guarantee the bonds of the new company, about to start up here, to the extent of $20,000.

St. Catharines, Ont.—The city is contemplating a bonus of $100,000 for the Canadian Northern Railway on condition thdt said railway includes the city in its new route.

Toronto, Ont.—It is probable that the Board of Education will cause a by-law to be submitted to the approval of the ratepayers, to provide for the raising of $1,000,000 for new school sites.

Taber, Alta.—The town council is submitting the following by-laws:—To raise $4,000 to institute a civic hospital; $11,000 to construct sidewalks, $15,000 to erect a town hall; $8,000 to establish parks; $4,000 for plank walks; and $3,000 for street grading.

The burgesses are about to vote on a by-law to raise $25,000, to be granted as a bonus to the Dominion Stove and Foundry Company, Limited, the same to commence operations here.

York County, Ont.—The council recently decided to borrow the sum of $100.000 to cover cost of the proposed improvement of roads.

The council at a special meeting decided to issue debentures to the extent of $50,000 for House of Refuge. The same are to bear interest at 5 per cent. for a period of twenty years.

BY-LAWS PASSED OR DEFEATED.

Note.—Owing to pressure of space notices under this heading will appear but once.

Galt, Ont.—Two by-laws were given their third reading by the council and passed. They provide for the raising of $100,000 for current expenses, and to issue debentures for $15,000 re permanent improvement waterworks.

Nelson, B.C.—The burgesses here have expressed themselves in favor of raising $17,500 for building a new school.

St. Catharines, Ont.—The council recently pased the second reading of a by-law to grant to W. J. Bigger, of Hamilton, various concessions, among them a grant of property costing $3,500, for a jam factory costing $45,000.

Windsor, Ont.—A by-law authorizing the expenditure of $45,000 for current expenses for the county was passed by the Essex County Council recently.

Chatham, Ont.—The ratepayers have just pased a by-law to grant, among other concessions, to the Chatham Auto Wheel Company, the sum of $2,000 toward the purchase of a site.

WESTERN NAVIGATION.

At the annual meeting of the Western Navigation Company held in Fort William, Mr. James Murphy was elected President, E. R. Wayland, Vice-President and H. W. Robinson, Secretary-Treasurer.

The reports as read showed a remarkable excess in business operations over that of any previous year in the history of the company, and a stock dividend of thirty per cent. was passed.

Mr. H. A. Richardson, general manager of the Bank of Nova Scotia remarked lately that he thought that the volume of traffic through St. John would in time become so great that part would have to be diverted through L'Etang.

Mr. W. H. Miner, president of the Prudential Life Assurance Co., of Winnipeg, was a visitor in Toronto during the week.

DEBENTURES FOR SALE.

City of Port Alberni, B.C.

DEBENTURES FOR SALE

Sealed tenders, addressed to the undersigned, will be received up to eight p.m. on Feb. 25, 1913, for the purchase of the following five per cent. debentures, with interest payable half-yearly:—

$115,000 50-year, $500 each, Waterworks.
$ 30,000 20-year, $100 each, Electric Light.
$ 10,000 20-year, $100 each, Street Improvements.

This is the City's first debenture issue. Assessment $1,985,445.

For further particulars apply to the undersigned. The highest or any tender not necessarily accepted.

R. F. BLANDY, City Treasurer.

Port Alberni, B.C., Jan. 3, 1913.

Town of Estevan

Tenders will be received by the undersigned up till 8 o'clock Wednesday, February 12th, 1913, for the following debentures of the Town of Estevan, Sask.: Fifty thousand High School debentures 5%, 30 years; Thirty-five thousand Waterworks debentures, 5%, 30 years; Twenty-five thousand Manufacturing establishments debentures, 5%, 25 years. All are repayable in equal annual payments of principal and interest. By-laws have all been approved by the Municipal Commissioner, and debentures are bearing interest from December 1st, 1912.

L. A. DUNCAN,
Secretary-Treasurer,
Estevan.

TOWN OF WILKIE

Tenders will be received by the undersigned up to the 8th day of March, for the purchase of the following 5½% debentures; waterworks, $28,000. Electric light, $2,250. Thirty year, equal annual instalment. Road improvement, $1,100. Skating and curling rink, $8,000. Fire protection, $2,150. Fifteen year, equal annual instalment.

T. A. DINSLEY, Sec.-Treas.

Wilkie, Sask.

TORONTO RAILS

NO DIMINUTION IN RAPID INCREASE OF BUSINESS.

Annual Statement Shows Surplus Earnings Equal To 13.17 per cent. Of Capital—Decrease In Expense Ratio —Net Assets Equivalent To 14.8 per cent. Of Capital.

Nothing unusual or unexpected happened at the twenty-first annual meeting of the Toronto Street Railway held on Tuesday last. The company's gross earnings amounted to $5,448,0050 as compared with $485,541 in 1911, and $1, 834,908 in 1902. Business has more than trebled in the ten years. Similarly the number of passengers carried has been trebled in the ten years.

The statement shows that surplus earnings after the payment to the city of $942,048 amounted to $1,448,458, as compared with $1,177,392 in 1911.

The total assets are $20,401,288 which after deducting bonds, mortgages, guarantee of Toronto Power bonds and unredeemed tickets amounts to $148 per share of stock.

Dividends paid, per cent. of surplus earnings to capital, high and low records on the Toronto exchange and the operating expenses, ratio earnings, are shown herewith:

Year.	Divids.	% earns.	High.	Low.	* % Ex.
1912	8	13.17	151¼	131	53.4
1911	7½†	13.07	168	122¼	55.2
1910	7	15.14	129	110	51.6
1909	7	13.67	130	107½	51.4
1908	6	11.84	109½	94½	52.9
1907	6	12.21	115½	83	53.9
1906	6	10.80	125¼	104	52.9
1905	5	9.20	149	103½	56.8
1904	5	8.77	107⅝	97	58.2
1903	5	8.44	118	89	55.3
1902	5	7.38	124½	110	55.3

* % operating expenses to passenger. earnings.
† Stock Bonus of 12½% was paid in 1911.

How rapidly the business of the Company is growing, as a result of the growing population of Toronto, is manifest from the record presented below.

A GOOD EARNING RECORD.

Year	Passengers Carried	Gross Earnings	Surplus Earnings
1912	135,786,573	$5,448,050	$1,448,458
1911	120,907,844	4,851,541	1,177,392
1910	109,415,264	4,377,116	1,211,159
1909	98,117,991	3,926,838	1,092,382
1908	89,139,571	3,610,272	1,028,356
1907	85,574,788	3,511,197	977,153
1906	76,958,488	3,109,739	897,061
1905	67,881,688	2,747,324	722,580
1904	60,127,460	2,444,534	625,962
1903	53,055,322	2,172,087	628,349

WESTERN CANADA POWER.

MONTREAL.—Fairly well-confirmed reports state that the long-negotiated contract between the Western Canada Power Co. and the B. C. Electric has finally been signed; and an official statement to that effect is looked for soon. Mr. C. H. Cahan, president of the former company, has been conferring for some little time with the directors of the B. C. Electric in England; and the final draft of the contract is now said to have received the approval of the executive of both companies. If this is actually the case, it will mean the enlarging of the present plant almost immediately, as 13,000 horsepower will be required for immediate delivery under the contract and eventually 40,000 horsepower.

This will mean new financing. And The Post has it on good authority that the latter will take the form of refunding five per cent. bonds, of which $3,000,000 probably will be issued. These will be junior securities and will rank after the issue of $5,000,000 five per cent. first mortgage bonds at present outstanding.

On Thursday of this week Western Canada bonds were listed on the Montreal Stock Exchange. The listing of the company's bonds is said to be the preliminary of the announcement of issuance of new securities.

NEW PARTNERSHIP.

Announcement has been made of the dissolution of the well-known firm of architects, Messrs. Ross and MacFarlane, Montreal, Toronto, and Winnipeg. Mr. David H. MacFarlane will continue his practice in the Birks Building, Montreal. Mr. George A. Ross and Mr. Robert Macdonald have formed a partnership under the firm name of Ross and Macdonald.

A considerable amount of the very important work of the firm now dissolved will be carried to completion by Messrs. Ross and Macdonald; and it is expected that announcement will soon be made of new work of considerable magnitude to be erected during the next building season.

CROWN RESERVE MINING CO.

Montreal.—The annual report of the Crown Reserve Mining Co. was presented to the shareholders at the annual meeting held last week in Montreal. This shows profits for the year ending December 31st of $1,136,010, compared with $1,279,739 the year before and $1,185,100 in 1910.

Last year's silver production amounted to $2,714,766 ounces valued at $1,-692,060. Total production to date has been 15,227,143 ounces, having a gross value of $8,273,908.

The president, in his report, stated that fully $1,000,000 of proven gold ore was visible on the new McEnaney Mine, which meant that the latter mine showed assets equal to the total capital of the Crown Reserve Mining Co. Further there was $650,000 profit right from this mine alone.

ANNUAL REPORT

British Northwestern Fire Insurance Company

Head Office - - - Winnipeg

A representative gathering of the Shareholders of The British Northwestern Fire Insurance Company assembled at the Annual Meeting of the Company held on Wednesday, the 29th January, at 4 p.m., to receive and consider the Directors' Report and Financial Statement for the year ending 31st December, 1912.

The Directors' Report which was received with much satisfaction, and favorably commented upon, was as follows:—

The Directors have pleasure in submitting to the Shareholders the following report upon the business of the Company for the year ending 31st of December, 1912, accompanied by the Balance Sheet, duly audited and certified.

During the year the work of thoroughly establishing the Company in the four Western Provinces has been carried on, and with most satisfactory results, our agency staff now numbering 374.

The premium income, which in 1911 was $18,086.57, was, in 1912, advanced to $49,017.50.

We have now actually in force and on the books of the Company 2,561 policies, representing current contracts of $3,398,158.00, an increase in the business in force of $2,060,758.00.

The risks have been carefully selected, are widely distributed, the average of preferred business is being maintained, and the net amount at risk under any one policy does not exceed the sum of $920.00.

The gross assets of the Company have increased from $482,619.96 to $554,970.85; the Subscribed Capital from $461,000.00 to $500,000.00; Paid-up Capital from $101,625.00 to $150,000.00.

Over $10,000.00 has been carried to the credit of Re-insurnace Reserve Account for protection of Policyholders (representing unearned premiums, government basis, on business in force).

Provision has been made for unadjusted losses, depreciation in office furniture and fixtures written off, and the balance on the year's operations to credit to Surplus Account is $19,749.94. Out of this surplus a dividend at the rate of six per cent. per annum on the Paid-up Capital has been declared and paid to the Sharholders.

During the year we were favored with the opportunity of adding to the Board of Directors, Mr. Thomas L. Wood, of Brantford, Ontario, and Mr. Joseph Stauffer, of Galt, Ontario, and the shareholders will be pleased to know these gentlemen have been added to the Directorate.

In accordance with the Act of Incorporation, the Directors retire and are eligible for re-election.

EDWARD BROWN,
President.

FINANCIAL STATEMENT AS ON 31st DECEMBER, 1912.
Authorized Capital, $2,000,000.00. Subscribed Capital, $500,000.00.
Paid-up Capital, $150,000.00

ASSETS.

Investments (First Mortgages on Real Estate and Loan Company's Debentures	$152,683.33
Cash on Hand and on Deposit	32,168.17
Balances due by Agents and others	4,137.00
Interest, but not due	3,734.60
Bills Receivable	7,892.00
Charter Account	1,500.00
Office Furniture, Fixtures and Insurance Plans	2,400.00
Government Licenses for 1913, paid in advance	455.75
Capital in course of collection	350,000.00
	$554,970.85

LIABILITIES.

To the Public:		
Reserve for Unearned Premiums (Dom. Govt. basis)		$ 18,800.00
Reserve for Outstanding Losses		2,000.00
Accounts owing		1,344.75
Surplus on Policyholders' Account	$532,826.10	
To the Shareholders:		
Capital Stock Paid-up (Subscribed $500,000.00)		150,000.00
Capital Stock Subscribed and in course of collection		350,000.00
Surplus on Shareholders' Account	$32,826.10	32,826.10
		$554,970.85

Security for Protection of Policyholders........ $554,970.85

We have audited the books of Account of the British Northwestern Fire Insurance Company for the year 1912, verifying the cash receipts and payments with the bank account, and the bank and cash balances on hand 31st December, and we certify the above to be a true statement of the affairs of the Company.

Winnipeg, 27th January, 1913. CLARKSON, CROSS & MENZIES, Auditors.

Motion to adopt the Report was moved by the President, Mr. Edward Brown, who said:—"In moving the adoption of the Directors' Report, allow me to say that I have great pleasure in again meeting the Shareholders of the Company.

During the year past your Company has participated in the general prosperity of our country. The growth has not been phenomenal or spectacular—rather it has been normal and steady, in pursuance of the policy adopted by us at the inception of the Company's business. If this policy is strictly adhered to I look forward with the greatest confidence to the time in the near future when the policies of the Company will be regarded as being just as safe as Government bonds, and then we will not only have provided safe insurance for our customers, but will have added another to the already large number of successful Canadian organizations which lend strength and stability to our national credit.

The volume of business secured in the year 1912 has increased three-fold over that of the previous year, while the total claims paid amount to only 14 per cent. of the net premium income, a very satisfactory showing indeed.

Great credit is due to the management, and I again wish to compliment the Managing Director, Mr. Foster, on the good judgment which he has shown not only in the general conduct of the business but in the selection of agents. In his work he has been ably assisted by Mr. Kellam and the other members of the staff, who have shown entire devotion to the Company's interests.

I further wish, on behalf of the Directors, to express appreciation of the services rendered the Company by its 374 agents. We wish these gentlemen to feel that they have a very important place in the organization of the Company, and share in the success which attends our joint efforts.

As the subscribed capital of the Company has now reached the half-million mark I do not think it is necessary that this amount should be increased for the present."

Sir William Whyte, K.B., said that he rose with pleasure to second the motion for the adoption of the annual report, because if the standard of success of every business is to be measured by the volume of business done and satisfactory net results, then he was sure the shareholders would agree with him that the operations of the British Northwestern Fire Insurance Company for the year 1912 fully measured up to that standard.

As proof of his statement, he referred to the copy of the Annual Report and Balance Sheet. The insurance in force increased during 1912 by over $2,000,000.00, and the premium income by $31,000.00.

He had every reason to believe that the success of the British Northwestern Fire Insurance Company will continue in the same marked degree in the future that it has in the past, because so long as there was a conservative, prudent and capable management, with a large and ever-growing field, the opportunity is there.

He had much pleasure, therefore, in seconding the motion for the adoption of the report.

Mr. P. C. McIntyre referred to the pleasure he had in attending and reading the reports of the Annual Meetings of our local financial institutions.

Their steady growth spoke well for the sound basic principle upon which they were founded, and the ability of the men directing their policy. The success achieved and the position occupied throughout the Dominion by many of our local Loan and Trust Companies, Banks and Life and Fire Insurance Companies makes one realize the important financial centre that Winnipeg is beginning to occupy. The report of the British Northwestern Fire Insurance Company before the meeting was a most satisfactory one, and with a continuance of the care and attention that the business of the Compaly was receiving, as evidenced by the results of the past year, he felt the success of the Company was assured and that one more institution was being added to the list of Winnipeg's successful Companies.

His Hon. Lieut.-Gov. Cameron expressed his pleasure in reading the satisfactory report, and had no doubt of the continued success of the Company.

The retiring Directors were unanimously re-elected the Directors for the current year:—Edward Brown, Sir William Whyte, K.B., Hon. D. C. Cameron, C. W .N. Kennedy, P. C. McIntyre, D. E. Williams, A. C. Flumerfelt, O. A. Robertson, James Balfour, E. P. Davis, K.C., T. J. S. Skinner, Thomas L. Wood, Joseph Stauffer and F. K. Foster.

At a subsequent meeting of the Board of Directors, Edward Brown was elected President: Sir William Whyte, K.B., and Hon. D. C. Cameron, Vice-Presidents, and F. K. Foster, Managing Director.

STANLEY MINERAL SPRINGS.

Industrially the West is steadily forging ahead and money markets of the East have evidence of this in the number of offerings that are being made. A prospectus of an issue of 2,500 shares of Stanley Mineral Springs and Brewing Co. of common stock at $60 per share has been issued by Playfair, Paterson & Co., of Toronto. An issue of bonds to the extent of $250,000 is being made also, with a bonus of twenty-five per cent. of common. $100,000 in bonds has already been issued. The total bond issue to date will with this issue, be $350,000. Interest and sinking fund charges upon this sum require $31,000

An enterprise of this kind when well conducted and located near to a large and growing market promises well. The prospectus gives an estimate of earnings on a first year's output of 50,000 barrels amounting to $256,300 a sum large enough to provide a dividend on the common. As to whether the company will earn the amount indicated in the prospectus or not is a question difficult for an outsider to decide. The proposition, however, is under a directorate of careful business men all of whom are well known, and would not knowingly permit their names to be used on a prospectus the figures of which were not well within the range of practical realization. Mr. R. J. Mackenzie is the president and John Galt, president of the Union Bank is on the directorate.

ONTARIO NATIONAL BRICK CO.

Construction of the works and plant of the new Ontario National Brick Co. is proceeding apace. Foundations for two of the three big kilns have already been completed, and the masonry erected a couple of feet above ground level. The same amount of work has been done on the machinery building, which is now ready for the steel. The remainder of this building will be made of steel which can be rapidly erected, once it is on the ground. Steel is already on the way from Montreal, and it is anticipated now that the entire plant will be ready several days before the time specified.

Some three hundred men have been working on the construction of this plant during the past few weeks, and 300 more have been added recently. The Canadian Pacific Railway has run three spur tracks right into the works alongside of the three kilns, making it possible to load and ship bricks immediately they are dried. Construction of the gas plant is also well-advanced and should be easily finished by May first, by which time the company expects to commence operations.

Ontario National Brick Co. is the new brick company organized a couple of months ago by interests closely connected with the National Brick Co., of La Prairie. The capital issued is $2,000,000 common stock, which is the full amount of authorization; and there have also been issued $1,250,000 40-year six per cent. first mortgage bonds. The board of directors is made up of the following gentlemen: J. N. Greenshields, K.C., Thos. Long, J. W. Pyke, Hon. Robt. MacKay and John McKergow.

BRITISH COLUMBIA PERMANENT.

Some notable increases are shown by a comparison of items in the statement of the British Columbia Permanent Loan Co. with those of a year ago. Here are the figures:

	Dec. 31, '12	Dec. 31, '11.	Inc.
Assets ..	$4,141,259	$3,553,429	$587,829
Earnings	315,564	270,392	45,172
Loans ..	3,568,200	2,880,325	687,875
Debentures	864,368	730,428	133,940
Capital ..	844,172	700,000	144,172
Reserve ..	600,000	500,000	100,000

Two semi-annual dividends at the rate of 10 per cent. per annum were declared on the Permanent Stock, and $100,000 added to Reserve. The Reserve Fund, together with surplus profits, now amounts to $629,937.81.

The Liabilities to the public amount to $1,793,344.35, so that the surplus of Assets over Liabilities to the public is $2,347,914.65, and places the company in a very strong position.

During the year the monthly repayments on loans have been exceptionally good, so that notwithstanding the greatly increased amount on loan, the overdue interest is considerably less than at Dec. 31st, 1911.

The Toronto Railway Company

BOARD OF DIRECTORS:

President
SIR WILLIAM MACKENZIE

Vice-President
FREDERIC NICHOLLS

SIR HENRY M. PELLATT, C.V.O. SIR RODOLPHE FORGET
HON. GEO. A. COX W. D. MATTHEWS
JAMES GUNN
R. J. FLEMING, General Manager.
J. C. GRACE, Secretary-Treasurer.

REPORT OF THE PRESIDENT AND DIRECTORS

For the Year Ending December 31st, 1912

To the Shareholders:—

Your Directors with pleasure submit herewith their Twenty-first Annual Report, together with balance sheet and profit and loss account of the Company for the year ending 31st December, 1912.

A summary of the year's operations will be found attached hereto, from which will be recognized the continued increase in the Company's business.

The gross earnings amounted to		$5,448,050.36
Charge for operating, maintenance, etc.		2,866,550.12
Net Earnings		$2,581,500.24

From which net earnings there was deducted the sum of $2,012,637.57, distributed as follows:

Dividends	$879,595.85	
Bond interest, etc.	190,992.76	
		$1,070,588.61
Payments to City:—		
Percentage on earnings	$798,958.66	
Pavement charges	90,953.00	
General taxes	52,137.30	
		942,048.96
		$2,012,637.57

The increase in gross passenger earnings is most gratifying, showing as it does the amount of $567,035.00, when compared with the previous year; the earnings being $5,367,502.48, while those for 1911 amounted to $4,800,467.48. Notwithstanding the large increase in gross earnings referred to, said surplus was reduced largely by the operation of additional cars placed in service, a higher rate of wages paid to our conductors, motormen, and other employees, also the cost of material of all classes having advanced in price. The charges for the year amounted to $2,866,550.12. When compared with the previous year, which amounted to $2,653,361.86, show an increase of $213,188.26. The percentage of operating cost being 53.4% of our passenger earnings.

The payments made to the City of Toronto amounted to the sum of $942,048.96, which amount, when compared with the payments of the previous year shows an increase of $119,815.72, or 14.6 per cent.

In addition to entirely renewing the battery plant at Frederick and Front Sts., there was expended during the year on Capital Account, the sum of $591,484.70 in building additional rolling stock and procuring electrical equipment for same, the construction of new tracks and erection of overhead work in various sections of the city, additions to buildings, and other improvements.

On the 25th day of March last a fire occurred at the King Street East Division, completely destroying the car storage house in rear of the main building together with about 150 cars, practically all of which cars were of the open, or summer type. The property was insured.

The Company's agreement with its employees having expired on the 15th June, 1912, your Directors are pleased to report that after a number of conferences, all differences were amicably adjusted and an increase in wages was granted, and a new agreement enterd into for three years.

The second drawing of the Company's currency and sterling bond issues, under the terms of the mortgage deed dated 1st September, 1892, took place on the 27th day of June, 1912, the Company being obliged under the mortgage deed to redeem by drawing annually five per cent. of the amount of bonds issued, same to be redeemed on the 31st day of August following the date of drawing, and from which date no interest is payable. The full number of bonds drawn in June, 1911, amounting to $168,693.33 have been presented and paid, and of the bonds drawn during 1912 $159,500.00 have been presented and redeemed. The total amount of bonds so drawn for redemption aggregate $339,386.66.

Careful attention has been paid to the maintenance of the plant, rolling stock equipment, and other properties of the Company.

Your Directors declared out of the accumulated surplus earnings of the Company, four quarterly dividends of two (2) per cent., all of which dividends were paid on the several dates set for payment.

The Toronto and York Radial Railway Company report that the earnings of the said Company continue to show satisfactory increases, the gross earnings amounting to $492,922.86, compared with $449,059.16 for the previous year—an increase of 9.76 per cent.

A regular monthly audit and verification of the books, accounts and vouchers was made by Messrs. Clarkson and Cross, Chartered Accountants, and their certificate has been attached to the Company's balance sheet.

Respectfully submitted,
WILLIAM MACKENZIE, President.

INCOME ACCOUNT.

Gross Earnings		$5,448,050.36
Operating, maintenance, etc.	$2,866,550.12	
Interest on bonds, etc.	190,992.76	
Percentage on earnings	798,958.66	
Pavements, taxes	143,090.30	3,999,591.84
Surplus Earnings		$1,448,458.52

PROFIT AND LOSS ACCOUNT.

December 31st, 1912.

Balance from last year		3,125,894.33
Surplus Earnings, after payment of all expenses, interest, taxes etc.		1,448,458.52
		$4,574,352.85
Dividends, four of 2% each, on the paid-up capital	$	879,595.85
Balance from 1911	$3,125,894.33	
Surplus carried forward	568,862.67	3,694,757.00
		$4,574,352.85

COMPARATIVE STATEMENT

1912-1911

	1912	1911	Increase
Gross Income	$5,448,050.36	$4,851,541.42	$596,508.94
Operating, maintenance charges, etc	2,866,550.12	2,653,361.86	213,188.26
Net Earnings	2,581,500.24	2,198,179.56	383,320.68
Passengers carried	135,786,573	120,997,844	14,788,729
Transfers	56,176,985	48,730,671	7,446,314
Percentage of charges, etc., to passenger earnings	53.4	55.2	*1.8

* Decrease.

The Toronto Railway Company

General Statement Year Ending December 31st, 1912

ASSETS

Road and equipment, real estate and buildings, including pavements, etc.		$18,379,409.50
Advances to subsidiary companies		743,488.25
Stores in hand	234,457.22	
Accounts receivable	600,302.46	
		834,759.68
Cash in bank		443,631.56
		$20,401,288.99

LIABILITIES

Capital Stock:		
Authorized	$12,000,000.00	
In treasury	1,000,000.00	
Outstanding		$11,000,000.00
Bonds Outstanding		
Bonds outstanding		
4½% Sterling	2,173,940.00	
4½% Currency	885,000.00	
6 % Debenture	600,000.00	
		3,658,940.00
Mortgage		70,000.00
Accounts and wages payable	446,411.18	
Accrued interest on bonds	64,680.35	
Dividend payable January 2nd	219,982.00	
		731,073.53
Toronto Power Co. Sinking Fund Guarantee		241,571.70
Unredeemed tickets		131,217.98
Reserves:		
Provision for renewals	$1,594,724.80	
Less charges to date	906,281.40	
	$688,443.40	
Insurance fund for injuries and damages	185,285.38	
		873,728.78
Profit and Loss		3,694,757.00
		$20,401,288.99

Verified,
CLARKSON & CROSS, Auditors.

Correct,
J. M. SMITH, Comptroller.

WANTED

By a reliable Financial House in the City of Moose Jaw, the agency for a Loan Company who will advance money liberally on good dwellings, improved farms and down town business blocks in the above city.

Can give best of references.

Apply Box 890, Financial Post, Toronto, Ont.

No Backward Steps

are made in the legitimate real estate market.

Increase in population and development of industries produce a corresponding increase in land values.

Medicine Hat has had no boom, but has reached the stage where its future is assured and where prospects for profitable investments are no conjecture.

Let us demonstrate by facts and figures how we can make money for you on first mortgages on improved city properties, and in high-class real estate investments in Medicine Hat—the Industrial Centre of Western Canada.

POTTER & KENT

MEDICINE HAT : : ALBERTA

REFERENCE: BANK OF MONTREAL

A Suggestion! Investigate Medicine Hat

You will then buy all the Property in this wonderful rapidly-growing City that you can handle.
We predict great activity and a large increase in values in Spring.
We positively located 24 Factories last year, and others are being negotiated for.

We Offer Our Services to You

to enable you to find the best buys in City Property and close in acreage.

Correspondence solicited.

F. M. Ginther Land Co. Limited, Medicine Hat, Alberta.

References: Canadian Bank of Commerce. Imperial Bank of Canada. Bradstreet's. Dun's.

ST. JOHN BOARD OF TRADE.

Raises $20,000 for Three Years to Boost City.

ST. JOHN, Feb. 4.—The St. John Board of Trade set out last week to secure, if possible, a thousand members pledged to pay $25 a year for three years. In four days seven hundred memberships were taken, and it is practically certain that this week the number will be increased, giving the board a fund of $20,000 per year for three years, to be devoted to the task of boosting the city. An industrial commissioner of experience will be engaged and a systematic campaign entered upon to secure for St. John those industries for which its location and available raw material are best adapted.

NIPISSING MINES CO.

MONTREAL.—On December 7th last the Nipissing Mines Co. had cash on hand and ore at mine and in transit of the value of $1,214,559. The company's year ends with the calendar year, but the annual meeting will not be held until the last part of April.

ORCHARD LANDS
—IN—
NEW BRUNSWICK

May now be bought at prices which obtained in British Columbia ten years ago. Now is the time to select large acreages at prices which will insure large profits quickly.

Write me for particulars.

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794 Main St. - MONCTON, N. B.

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1911 ANNUAL REVIEW AND OUTLOOK LETTER.

Winnipeg, the great centre from which so much Wealth and Vitality radiate, offers prospects to capital and to expert workmen.

Winnipeg's Industrial Progress.—A clear and concise story, that deals with Facts and Figures.

Why Winnipeg Wins: Facts about Western Canada's largest city, a trading post grown to metropolitan size in a few years.

Winnipeg's Statistical Review. Covering a period of ten years, showing in concrete form one of the most marvellous and impressive records of solid civic growth in history.

Market Gardening Opportunities about Winnipeg. A paying pursuit with an unlimited market and rising land values; wealth comes easily.

Winnipeg: Past and Present. How Winnipeg has made more progress in thirty years than most places do in a century.

Agricultural Opportunities in Western Canada and the Last and Great West.

Western Canada Market. Largest and most prosperous territory in the world now under development. How the tune of the Traction Engine is sounding its note over 500,000 square miles of good agricultural country.

Winnipeg the Supply City of Western Canada. A forecast in figures of the Future of Winnipeg and the West.

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Locate your Canadian Factory in the Central City of Canada and profit by getting rid of tariff and long freight hauls.

Cheap power, cheap sites, low taxation, best of labor conditions, transportation facilities unexcelled, plentiful supply of raw material, and a community that recognizes the importance of the industrial development by lending cordial support to the success of the firms locating.

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Now is the Time.
THIS IS YOUR OPPORTUNITY.

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Commissioner
Winnipeg's Development and Industrial Bureau

WINNIPEG, - - CANADA

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The company acts solely as agent and will neither purchase nor sell for itself, consequently its recommendations are impartial.

Special reports by most reliable cruisers, noting accessibility for logging, will be furnished with as little delay as careful examination will permit.

Correspondence solicited

British Canadian Securities Limited
Dominion Trust Building, Vancouver, B.C.

Paid up Capital 250,000

Offices: Montreal, London, Eng., and various cities in Western Canada.

JANUARY BANK CLEARINGS

Montreal Leads in Actual Increase—Moose Jaw Has Greatest Rate of Increase—Total Increase Over 17 Per Cent.

Total clearings for January, 1913, exceed those of the corresponding month last year by $116,864,003 or slightly over 17 per cent. This increase does not include the New Westminster clearings which total $2,544,640. The total clearings for the month are over $38,000,000 less than for December.

Montreal shows the largest actual increase while Moose Jaw leads in the percentage of increase over January of last year. Regina and Fort William have the same rate of increase, 48.4 per cent.—only 2 per cent. less than Moose Jaw.

Eight other cities have increases of over 20 per cent.

Otawa, Lethbridge and Brantford clearings are all less than those of January, 1912.

	Dec. 1912.	Jan. 1913.	Jan. 1912	Inc.	%
Montreal	$246,791,121	$247,922,102	$207,216,549	$ 40,695,553	19.6
Toronto	184,900,901	196,761,436	175,019,996	21,741,440	12.4
Winnipeg	167,426,414	134,993,452	110,993,506	23,999,946	21.8
Vancouver	55,434,815	52,431,327	48,371,226	4,060,101	8.4
Ottawa	17,490,546	19,292,073	22,028,048	2,735,975	*12.5
Calgary	25,772,859	21,680,990	18,599,428	3,081,562	16.5
Quebec	15,446,261	13,576,582	11,631,964	1,944,618	16.7
Victoria	17,030,315	15,987,507	11,902,519	4,084,988	34.3
Hamilton	16,567,587	15,936,304	12,670,922	3,265,382	25.7
Halifax	8,900,595	9,322,578	8,747,945	574,632	6.5
St. John	8,721,600	8,383,391	6,918,209	1,465,182	21.1
Edmonton	21,649,209	18,394,721	14,328,480	4,066,241	28.3
London	8,438,631	8,387,037	6,904,546	1,482,491	21.4
Regina	11,811,821	11,671,180	7,860,842	3,810,338	48.4
Brandon	3,856,038	3,025,814	2,498,257	527,557	21.1
Lethbridge	2,996,445	2,469,794	2,669,025	199,231	*7.4
Saskatoon	12,141,084	9,096,067	7,010,084	2,085,983	29.7
Brantford	3,000,861	2,891,098	3,178,805	287,707	*9.
Moose Jaw	7,714,608	5,996,706	3,979,906	2,016,800	50.
Fort William	4,172,455	3,660,351	2,425,250	1,184,101	48.4
Total	846,263,566	801,819,510	684,955,507	116,864,003	17.
New Westminster		2,544,640			

*Decrease.

RAILROAD EARNINGS

MONTH OF JANUARY A RECORD MONTH.

Grand Trunk Increase the Feature of the Week—Canadian Pacific Gaining Half a Million a Week—Canadian Northern's Good Showing—Brazilian Traction.

January ended as it began very profitably for railways everywhere—both steam and electric. Canadian Pacific increase in gross earnings was not so great in the last week as in the first three. However, the table below shows an increase of over two millions for the month and of thirteen millions for the first seven months of the company's year.

The Grand Trunk made a record showing for the last nine days, having an increase of nearly three hundred thousand over last year. The first seven months showed increase of over three and a half millions.

Canadian Northern had an excellent month, being two millions in advance of last year.

RAILWAY EARNINGS.

CAN. PACIFIC—

	1913.	1912.	Inc.
First six mos.	$72,062,000	$60,278,000	$11,784,000
1st week Jan.	2,140,000	1,602,000	538,000
2nd week Jan.	1,996,000	1,349,000	647,000
3rd week Jan.	2,177,000	1,503,000	674,000
4th week Jan.	3,206,000	2,747,000	459,000
January	9,511,000	7,193,000	2,318,000
July 1 to date.	82,818,000	69,716,000	13,102,000

GRAND TRUNK—

	1913.	1912.	Inc.
First six mos.	$28,835,287	$25,867,397	$2,967,890
1st week Jan.	850,889	735,888	115,001
2nd week Jan.	860,353	758,685	101,668
3rd week Jan.	884,424	760,575	123,849
Jan. 21-31	1,452,582	1,167,138	285,444
July 1-June 31.	32,883,535	29,289,683	3,593,852

CANADIAN NORTHERN—

	1913.	1912.	Inc.
First six mos.	$12,239,600	$10,334,800	$1,904,800
1st week Jan.	341,500	289,200	52,300
2nd week Jan.	359,000	241,400	117,600
3rd week Jan.	301,500	249,300	52,200
Jan 21-Jan. 31.	511,400	448,200	63,200
January	1,513,400	1,228,100	285,300
July 1-Jan. 31	13,753,000	11,562,900	2,190,100

T., H. & B.—

Oper. revenue	$1,695,000	Inc.	$438,988
Oper. expenses	872,000	Inc.	145,224
Net earnings	$ 823,000	Inc.	$293,764
Other income	50,000	Inc.	9,679
Gross cor. inc'e	$ 873,000	Inc.	$303,443
In. & equip hire	321,000	Inc.	51,551
Surplus	$ 552,000	Inc.	$251,892

BRAZILIAN TRACTION—

December, 1912.

Gross earnings	$1,881,556
Operating expenses	738,575
Net earnings	1,142,981
Gross earnings from Sept 1	7,116,664
Net earnings from Sept. 1	4,107,482

M., ST. P. & S. S. M.

December

Total op. rev.	$ 1,853,573	Inc.	$ 481,946
Total expenses and Taxes	1,044,230	Inc.	196,819
Op. income	$ 809,343	Inc.	$ 285,127
From July 1 to Dec. 31:			
Total op. rev.	11,702,264	Inc.	2,517,721
Total expen. and taxes	6,491,379	Inc.	1,189,816
per. income	$5,210,885	Inc.	$1,327,905

C. BRETON RY.—

	1913.	1912.	Inc.
1st week Jan.	$ 5,108	$ 4,230	$ 877
2nd week Jan.	$ 4,017	3,161	856
3rd week Jan.	4,061	3,221	840
To date	13,186	13,612	2,573

TOLEDO RAILS—

	1913.	1912.	Inc.
1st week Jan.	$ 32,665	$ 32,063	$ 602
2nd week Jan.	34,507	31,194	3,326
Jan. 21-31	49,212	44,663	4,549
To date	116,384	107,9920	8,467

DETROIT UNITED—

	1913.	1912.	Inc.
Week ending			
Jan. 7	$ 204,947	$ 164,940	$ 40,006
Jan. 14	205,056	167,928	37,128
To date	410,003	332,868	77,135

HAV. ELECTRIC—

	1913.	1912.	Inc.
Week end. Jan.			
12	$ 51,903	$ 44,504	$ 7,399
19	50,676	45,057	5,613
Week end. Jan.			
26	$ 51,019	$ 45,621	$ 5,398
Jan. 1-Jan. 26.	207,237	185,392	21,845
Week end. Feb.			
2.	50,366	47,184	3,182
1913 to date	257,603	232,576	25,027

QUEBEC CENTRAL—

	1913.	1912.	Inc.
1st week Jan.	$ 20,760	$ 16,632	$ 4,028

TEMISCOUATA—

November	$ 2,291
July 1-Nov. 30.	22,556

WINNIPEG ELEC.—

	1912.	1911.	Inc.
November	$ 164,041	$ 174,379	*$ 10,338
Jan. 1-Nov. 30.	1,595,755	1,778,002	*182,247

*Decrease.

TWIN CITY—

	1913.	1912.	Inc.
1st week Jan.	$ 152,382	$ 137,542	$ 14,840
2nd week Jan.	152,049	141,458	10,590
3rd week Jan.	157,180	145,852	11,327
To date	461,612	424,853	36,758

CAMAGUEY—

December	1912	1911	Inc.
Gross	15,423	13,848	1,575
Net	9,562	6,697	2,865

TRINIDAD ELECTRIC—

December	Gross	Net
Rail	$ 12,051	$6,198
L. & P.	9,505	5,229
Refrigeration	2,194	151
Miscellaneous		9
Total	13,751	11,588

DULUTH SUPERIOR—

	1913.	1912.	Inc.
1st week Jan.	$ 20,594	$ 19,380	$ 1,214
2nd week Jan.	20,170	19,520	649
3rd week Jan.	21,168	20,017	1,150
To date	61,933	58,917	3,014

B. C. ELECTRIC—

	1912	1911	Inc.
Dec. gross	$ 613,654	$ 523,003	$ 90,651
Expenses	389,080	319,298	69,782
	224,574	203,705	20,769
Less maintenance	35,000	25,000	10,000
	189,574	178,705	10,769
Last 6 mos. 1912 Gross	3,436,466	2,801,394	635,072
Last 6 mos. 1912 Net	1,190,415	979,187	211,288

NORTHERN OHIO—

	1913.	1912.	Inc.
Jan. 21-31	65,700	59,808	5,892
January	199,042	173,514	25,527

WEEKLY BANK CLEARINGS.

The total earnings for the week show an increase of 20.9 per cent. over those of the corresponding week last year, and an increase of 15 per cent. over those of last week.

Vancouver, which reported a decrease last week heads this week's rate of increases with 45.3 per cent. Moose Jaw with 42.8 per cent. is a close second. Otawa, St .John and Edmonton clearings are less than those of the corresponding week in 1912.

	Week ending Jan. 30, 1913.	Week ending Feb. 6, 1913.	Week ending Feb. 8, 1912.	Inc.	%
		(000's omitted)			
Montreal	$ 50,452	$ 54,933	$ 42,272	$12,661	29.9
Toronto	39,964	45,483	38,052	7,431	19.5
Winnipeg	25,697	28,837	25,152	3,685	14.6
Vancouver	10,151	15,627	10,749	4,877	45.3
Ottawa	3,533	4,274	4,818	544	*11.2
Calgary	4,171	4,768	4,297	470	10.9
Quebec	2,765	3,210	2,883	327	11.3
Victoria	3,450	3,206	3,035	171	5.6
Hamilton	3,164	3,669	2,817	852	30.2
Halifax	1,733	2,159	2,004	155	7.7
St. John	1,621	1,717	1,722	52	*.3
Edmonton	3,744	3,863	4,208	345	*8.1
London	1,364	1,812	1,549	263	16.9
Regina	1,925	2,387	1,929	458	23.7
Brandon	581	521	499	22	4.6
Lethbridge	562	616	572	44	7.6
Saskatoon	1,792	2,078	1,764	313	17.7
Brantford	609	560	477	83	17.4
Moose Jaw	1,120	1,241	869	372	42.8
F. William	792	812	603	208	34.4
Total	$159,199	$181,783	$150,280	$31,503	20.9
N. Westminster		510,636			

*Decrease.

MONTREAL UNLISTED.

	Asked.	Bid.
Ames-Holden-McCready Co.	24	23½
Do., pref.	82½	82¼
Belding-Paul	34	33
British Can. Canners, Ltd.	38	..
Do., pref.	86¼	..
Can. Light & P. bonds	76¼	..
Can. Coal & Coke, com.	16½	14
Dom. Bridge Co.	125	121
Hillcrest Collieries	30	..
Do., pref.	..	76
MacDonald Coy., Ltd.	61½	61¼
Mex. Northern Power	22	21½
Mex. Mahog. & Rub. Corp.	45½	45
Do., bonds	75	..
Mont. Tramways Power Co.	48	47¾
National Brick, com.	65	64½
Do., bonds	82½	82
Price Bros.	73½	72
Prince Rupert Hydro bonds	80	..
Sherbrooke Ry. & Power Co.	22	21
Toronto Paper Co.	..	80
Western Can. Power	81	80½
Wayagamack P. & Paper Co.	36	35½
Do., bonds	80	79½

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Toronto & York Radial Railway	*5.00%*
Duluth Street Railway Company	*5.25%*
Cape Breton Electric Company	*5.37%*
International Transit Company	*5.50%*
Porto Rico Railways Company	*5.69%*

A copy of our Booklet, "Investment Bonds," giving particulars, on request.

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SECOND SECTION

THE FINANCIAL POST OF CANADA

PAGES 17 to 32

THE CANADIAN NEWSPAPER FOR INVESTORS

VOL. VII. SINGLE COPIES, 10 CENTS — PUBLICATION OFFICE, TORONTO, FEBRUARY 8, 1913 — ANNUAL SUBSCRIPTION, $3.00 No. 6

Alberta Government and the Royal Bank

POSITION OF LITIGANTS STILL IN DOUBT—BONDHOLDERS GIVEN PRIOR RIGHT TO CASH IN BANKS.

History of the Case in Brief—Decision Leaves the Parties to the Controversy With Many Delicate Points Yet to Decide—Money Cannot be Used for Any Purpose Other Than Building the Abandoned Line Without Consent of Bondholders.

So far as cable reports indicate the decision of the Privy Council, in the appeal of the Royal Bank against the decision of the Alberta Courts, in effect is that the bank is liable to bondholders for the $6,000,000 deposited with it, for the given purpose of being advanced on progress estimates in the construction of the proposed Alberta and Great Waterways Railway. "It appears to their Lordships," so runs the text of the cable reports, "that this special account was opened solely for the purpose of the railway scheme and that when the action of the Alberta Government in 1910 altered its conditions the bondholders in London were entitled to claim from the bank at its head office in Montreal, the money which they had advanced solely for a purpose which had ceased to exist. Their right was a civil right outside of the province, and the legislature of the province of Alberta could not legislate validly in derogation of that right."

The History of the Case.

To appreciate fully the bearing of this finding on the case it is necessary to have in mind clearly the circumstances out of which the litigation arose.

In 1909 the Alberta and Great Waterways Railway was incorporated by the Government of Alberta and was at the same time authorized to build a line 370 miles in length from Edmonton to Fort McMurray. Bonding privileges were granted up to $40,000 per mile, but only $20,000 was issued. These bonds were secured by a trust deed to the Standard Trust Company, of Winnipeg, and duly executed by the company and the province. The province guaranteed the bonds as to principal and interest, the latter being at the rate of five per cent. A cause of much comment at the time was the issue of bonds bearing 5 per cent. when the Province's credit enabled it at that time to dispose of four's on favorable terms. The bonds were disposed of to J. P. Morgan & Co. for $7,400,000, or par, and subsequently, on November 9, 1909, were placed on the London market at 110, through the firm's agency. Proceeds of the bonds, after the sale to J. P. Morgan & Co., were, in accordance with the terms of the trust deed, deposited in three banks. as follows: Royal Bank, $6,000,000; Union Bank, $1,000,000 and the Dominion Bank, $400,000. These sums stood at the joint credit of the company and the provincial treasurer, withdrawable as construction proceeded. Survey parties were put to work and the right-of-way to the extent of approximately ten miles was cleared. Meanwhile opposition to the whole transaction arose culminating in the appointment of a commission of investigation which had very wide and exceptional powers. The government of Alberta under the leadership of Mr. Rutherford, through defection of the latter's supporters, led by one of his ministers, Mr. Cushing, was practically compelled to appoint this commission. As the investigation proceeded, and the nature of the whole transaction became generally understood, public opinion forced Mr. Rutherford to resign. A new government was formed under the leadership of Chief Justice A. L. Sifton, and the latter brought in a bill, subsequently enacted, providing that the proceeds of the bond sale, amounting to $7,400,000 should pass into the control of the province of Alberta, without deduction on account of claims by the company or its creditors.

Royal Bank's Advances.

In the meantime, the company and a construction company formed by it, assigned their interest in $6,000,000 held by the Royal Bank, to secure advances aggregating $372,000. The Royal Bank refused to hand over the money in compliance with the demand made upon it, claiming that the legislation was ultra vires. In this connection the bank is upheld by the Privy Council.

An attempt was made to have the Act disallowed by the Dominion Government, a course quite justified by recent events. Fortunately the Dominion Government did not act but left the law to take its course. In Alberta, Judge Stuart decided in favor of the Province and the appeal court upheld his decision, with Judge Beck dissenting. Consent was obtained to take the case direct to the Privy Council, which has just handed down its decision.

The matter is not, however, fully decided. A close heading of the cabled reports of the decision is to the effect that the confiscatory legislation is declared utra vires. It makes clear the right of the bondholders to their money and the responsibility of the Royal Bank to the bondholders. It also justifies that bank in so determinedly fighting for the rights of its depositors. There yet remains to be decided the fate of the Royal Bank's claim of $372,000 advanced to the company and the construction company it organized. Its position, however, is made stronger. The money was advanced on security destroyed by the revocation of a contract entered into in good faith. Implementing this contract was made impossible by political contingencies the consequences of which should not be visited upon the Bank in question. If the bargain made by the Province with the Alberta and Great waterways Company was found to be an improvident one the right course would have been to seek terms from the company for a release. Instead of taking such a course the Alberta Government sought to force the company and its creditors to throw up their hands and seek terms. The highest court in the land has now put the boot on the other foot. The Province will have to seek terms from the bank which has strict regard for the interests of its customers, the bondholders whose money was entrusted to its care, and the safety of its own advances.

Steel Plants and Tariff Prospect

SITUATION AS VIEWED FROM THE CAPITAL.

No Changes Likely This Year—Manufacturers Reconciled to Idea of No Further Bounties—A Commission of Enquiry Probable—Hon. W. T. White Maintains Silence.

OTTAWA, Feb. 6.—There has been a great deal of curiosity at Ottawa as to whether the budget speech when it is brought down late in this month or early in March will contain any concessions to the steel interests. Following the example of his predecessors, Hon. W. T. White, the Finance Minister, is keeping his own advice and it is not likely anything will definitely be known as to the policy of the government until he makes his announcement. The steel men have made several pilgrimages to Ottawa to lay their claims before the Government, and it is understood that they have asked either for increased duty or for a commission of some kind to investigate their claims. They have, it is said, abandoned the request for a return to the bounty system.

However, it is the general impression at Ottawa that the steel men will have to be content for this year at least with their present rate of duty. There is undoubtedly a strong radical wing in the Conservative party consisting mainly of Ontario and Western members representing rural ridings. They are strongly opposed to any further concessions to the steel interests, pointing out that the mills are so busy at present that they are unable to take care of the Canadian business.

Some Inside History.

In view of the revival of the question of a higher duty for the steel men, a little history as it is told at Ottawa is interesting. It is said that the Government last session, decided to renew the steel bounties for another year pending the appointment of a tariff commission which would make a thorough investigation. The decision of the Government was laid before the Conservative caucus and then the fun began. Arthur Meighen, the clever young member from Portage la Prairie, is credited with being the leader of the insurgents and the objection was so determined and so vigorous that the matter was dropped. Now these same objectors have not, according to their statements, freely made in the lobbies, changed their views in regard to the steel question. The Government is well aware of the fact and no matter what its own views, it has to reckon with this radical element. The general opinion is that in view of all these circumstances the steel men will have to be content with the status quo. If a tariff commission is ever appointed—and there is a strange silence in regard to it—the steel men can then make their representations to it.

A side-light on this same question is a rumor to the effect that the United States Steel Corporation were given to understand that if they wanted to do business in Canada they must build a Canadian plant. Hence the announcement of their new Sandwich plant. Otherwise the tariff would be adjusted so that they would have to get out of the market. With the United States Steel Corporation operating in Canada on an even basis with other Canadian concerns many of the objections of the Eastern companies would be removed as it was the alleged dumping in Canada which was their strongest argument for a higher duty.

B. C. LUMBER EXPORTS.

NEW WESTMINSTER.—Exports of British Columbia lumber from the Fraser river during 1913 will break all records. Conservative estimates place the shipments to be made during the next twelve months to Australia and South Africa at 30,000,000 feet. This will make the Fraser river the premier lumber port of British Columbia.

The Canadian Western Lumber Company has already booked orders for 12,500,000 to Australia and 2,500,000 feet to South Africa and the sales manager for the big Fraser mills expects that these quantities will be doubled before the year is out. The Brunette saw mills will ship between 2,000,000 and 3,000,000 feet to Australian points. Foreign prices for British Columbia lumber are exceptionally good at present and if it were not for the strong home demand the amount exported would be largely increased.

MOUNT MCKAY AND KAKABEKA FALLS RAILWAY.

At the annual general meeting of the shareholders of the Mount McKay and Kakabeka Falls Railway Company, held in Fort William, W. F. Hogarth was reelected President and Harry James, Secretary. This company have had a most successful year. During the past season, over 2,500 cars of sand and gravel were delivered to this city over the tracks of the Mount McKay and Kakabeka Falls Railway Company.

It is the intention of the company to operate another steam shovel in addition to the one already established, which will double the present output of sand and gravel.

President W. F. Hogarth predicts an unprecedented increase in the volume of traffic to be handled during the coming spring and summer. It is also contemplated extending the present system as far as Kakabeka Falls at no distant date.

Ottawa and Probable Bank Act Changes

WITH SLIGHT CHANGES, HON. W. T. WHITE'S BILL WILL PASS.

One of the Liveliest and Most Interesting Sessions of the Banking and Commerce Committee Expected—Conservative Insurgents Will Not Embarass the Government—Compromise on Question of Inspection Will Dispel Any Danger of Bill Not Passing.

(From our own Correspondent.)

OTTAWA, Ont., Feb. 6.—When the Bank Bill is taken up by the banking and commerce committee, clause by clause, there promises to be one of the liveliest and most interesting debate in the history of that committee. The committee is composed of 96 members and every member thinks he is an authority on banking and has suggestions of his own to make. There are bound to be dozens of amendments offered, although how many of these will survive is a question, and the impression is growing that when Parliament gets through with Hon. W. T. White's Act there will be many radical changes from the bill as it now stands.

After the amendments pass the banking committee they have to run the gauntlet of the whole house, while the Senate will also take a hand at the measure, and the Senate is Conservative by nature if not by politics. The bill has already been sent to the committee but will not be taken up until next week. With so many barriers ahead of them, radical amendments will not have much chance of acceptance.

The Conservative Insurgents.

There seems to be an impression that because the Conservative insurgents on the Bank Act did not continue the debate on the second reading they have dropped all opposition to the measure as it now stands and have been whipped into line by the crack of the party whip. This is far from the facts. Further debate was dropped undoubtedly and at the request of the Government. But because the cabinet desired to record some progress and realized there was bound to be lengthly discussion in committee and again on the third reading, the radicals within the party bowed to the party wish that far, without withdrawing their objections to the bill as it now stands.

How Matters Stand.

However, the speech of the Finance Minister, in closing the debate on the second reading, has rather cleared the air. The biggest objection to the bill as it now stands is on the question of inspection and audit and Mr. White has intimated that he is prepared to accept amendments which will strengthen his plan of audit from within the bank by appointing auditors, men of undoubted repute. Mr. White believes Government inspection is out of the question, and if the plan of audit is made stronger the radicals—amongst whom may be classed Sam Sharpe—will be ready to drop their insistence on external inspection.

Compromise Prospects.

That there will be a compromise between the Conservative insergents and Mr. White is the general opinion and the Finance Minister paved the way for such in his speech of last week. The bill as it now stands, provides that the auditors must be appointed by the shareholders and that if the Government wants a special audit, the bank's auditor is to be asked for a report. Strong objection is taken to this, largely on the ground that in this country the shareholders will mean the directors. Mr. White stated that he would be prepared to consider any reasonable suggestions and also intimated that his proposal could be so moulded that it would be certain that auditors above reproach or suspicion would be appointed. It is only a long guess for you never can tell which way politicians will jump, but our own idea is that there will be two safeguards inserted. There will be a provision along the lines of the Scotch Act so that a minority of the stockholders can appoint their own auditor and another, providing that the names of the auditors must be approved by the Government and be members of a firm in high standing. This would not altogether satisfy the insurgents, but it would satisfy sufficient of them to make certain the bill is passed.

Heterogeneous Amendments.

Other amendments will undoubtedly be proposed, some sensible and some ridiculous, but it is doubtful if any will pass, other than those calling for minor changes tending to strengthen or carry out the new provisions already provided for by Mr. White. There is a strong feeling amongst a great many members and particularly those from the West, in favor of encouraging smaller banks. The Americans of the West are accustomed to their own small anl local bank system and like it. They feel that it is better suited to develop local industries, while there is a feeling, rightly or wrongly that the vast number of Western branches are used largely to draw deposits which are shipped East. The Western members also point to the success of the Weyburn Security Bank. That Mr. White was inclined to be disposed to favor the encouragement of small banks was shown by his remarks. He said that if the small banks would devote their attention to banking only there was no reason why they should not be as successful as the big banks. It was largely a matter of management. Something along this line is expected by many members.

WESTERN RAILWAYS AND LIGHT.

Increase of Net Earnings Approximately $100,000.

MONTREAL.—Gross earnings of the Western Railways & Light Co. for the twelve months ending December 31st, 1912, have been $2,267,259, compared with $2,029,354 in 1911 and $1,679,701 in 1910. Total expenses and taxes amounted to $1,401,141, leaving net earnings of $866,118 against $778,689 in 1911. Other revenue brings the total net for the year up to $873,000, against $773,912 for 1911, an increase of nearly $100,000.

Operating expenses compared favorably with last year, showing a slight increase from 62.63 per cent. of gross to 62.71 per cent. This speaks well for the maintenance of the roads controlled as it is sufficiently high to ensure liberal allowances for rolling stock equipment and so forth.

The Western Railways & Light Co. was incorporated in Maine in 1907, and owns controlling interests in the Cairo Railway & Light Co., the Central Lighting Co., of La Salle and Peru, the Chicago, Ottawa and Peoria Railway, the Citizens Railway Co., of La Salle and Peru, the Galesburg Railway & Light Co., the Marseilles Water and Light Co., the Northern Illinois Light & Traction Co., the Quincy Railway and Carrying Co., and the Wichita Railway & Light Co.

The capital of the holding company is $5,000,000 common and $2,500,000, 6 per cent. preferred, of which $2,245,000 preferred and $4,521,800 common have been issued. The President of the company is W. B. McKinley, of Champaign, Illinois, and the Secretary, E. A. Macnutt, of Montreal. The Board of Directors includes also the following Montreals: Chas. Cushing, T. B. Macaulay, and J. M. McKergow.

DOMINION TEXTILE.

Nine Months' Business Has Been Very Satisfactory.

MONTREAL.—The Dominion Textile Co. concluded on December 31st, the best nine months in its history. Gross earnings for this period were considerably better than last year, and profits are said to be a great deal larger, too. Just how large these are has not been divulged by the company, but The Post has it on good authority that the increase is quite substantial.

Visible Evidence of Western Progress

is seen in the 1912 records of four prominent Winnipeg Institutions, unconnected save in location and the sound principles Governing their progress. Their wide operations---rapidly expanding and large investments---highly profitable, have been important factors in the financial development of the West.

THE GREAT-WEST LIFE ASSURANCE COMPANY

reports that 1912 has been by far the most successful of twenty successful years.

The Applications received make a new record.	
Total for 1912	$ 25,155,166
Increase for the year	$ 7,136,813
Largely increased Assets and Income evidence the Company's expansion.	
Assets December 31st, 1912	$ 12,251,981
Income for 1912	$ 3,556,724
Increase in Income for the year	$ 792,565
Greatly Increased Gains indicate well-satisfied, persistent Policyholders.	
Business in force end 1912	$ 83,978,739
Gain for the year	$ 16,009,307
Increased Gain over 1911	$ 4,965,002
Interest-earnings are the highest yet recorded.	
The Average Gross Rate for 1912 being	7.95%
Increase for the year	0.23%
The Mortality has never been so favorable.	
Net Death Claims 1912	$ 328,615
Decrease for the year	$ 6,651
Low Expense Rates betoken due economy, and, with the two preceding items find tangible expression in	
Surplus Earnings for 1912	$ 573,460
Greater than amount earned in 1911 by	$ 131,386
The Great-West Policies in force now number	40,506
Increase for the year	6,242

Again proving that for low rates and high returns—the public increasingly choose Great-West Policies.

HEAD OFFICE - WINNIPEG

Directorate of The Great-West Life Assurance Co.

PRESIDENT
Alexander Macdonald
VICE-PRESIDENTS
George F. Galt
R. T. Riley
A. M. Nanton
A. Kelly
F. Nation
P. C. McIntyre
George W. Allan
G. R. Crowe
A. C. Flumerfelt
Sir Daniel H. McMillan, K.C.M.G.
MANAGING DIRECTOR
J. H. Brock

Directorate of The Canadian Fire Insurance Co.

PRESIDENT
James H. Ashdown
VICE-PRESIDENT AND MANAGING DIRECTOR
R. T. Riley
J. A. M. Aikins, K.C.
R. J. Campbell
G. R. Crowe
John Galt
G. V. Hastings
MANAGER AND SECRETARY
C. S. Riley

THE CANADIAN FIRE INSURANCE CO.

Commenced Business June 1st. 1895.

BALANCE SHEET AS ON DECEMBER 31ST, 1912

ASSETS.

Cash on hand and on deposit with bankers at head office and branches		$ 118,695 78
Investments—First mortgages on real estate, bonds and debentures		906,938 26
Accrued Interest to date on investments and bank balances		1,072 53
Net balances due by agents		45,264 22
Office furniture, fixtures and plans (less depreciation written off)		8,746 07
		$1,080,716 86

LIABILITIES.

To the Public—		
Funds held in trust as reserve for unearned premiums of re-insurnig companies		$ 28,514 20
Employees' Profit Sharing Fund (balance undistributed)		2,404 83
Reserve for outstanding losses	$ 19,737,82	
Reserve for Unearned Premiums (Dominion Government Basis)	214,628,15	234,365 97
To the Shareholders:—		
Capital Stock fully paid	$500,000.00	
Surplus	315,431 86	
		815,431 86
		$1,080,716 86

SURPLUS to Policyholders 815,431 86
LOSSES paid since inception $1,775,147 52

A Story of Progress Illustrated

YEAR	PREMIUM INCOME	NET ASSETS
1897	50,425.79	106,611
1902	226,086.96	332,917
1907	318,003,33	649,378
1912	525,547.07	1,052,202

A strong Canadian Company with a reputation for doing business right.

THE HOME OF THE FOUR COMPANIES

GREAT-WEST LIFE BUILDING
Lombard Street, Winnipeg

THE NORTHERN MORTGAGE COMPANY OF CANADA

Capital Authorized - $10,000,000
Capital Subscribed - 3,000,000

At the end of its second complete year of business, the standing of the Company was briefly as follows:—

Paid-up Capital, $1,091,848.12, an increase of $386,585.29 for the year.

Debenture Stock issued and paid for, $519,462.80, an increase of $317,262.80 during the year.

Investments, $1,601,680, all in first mortgages on approved properties; the average rate of interest earned being about 7¾ per cent.

During the year Dividends on Debentures and Common Stock were paid to the amount of $59,205.20, and a balance carried forward to the credit of Profit and Loss of $23,581.31.

Directorate of The Northern Trusts Co.

PRESIDENT
Geo. F. Galt
VICE-PRESIDENT
Geo. R. Crowe
J. A. M. Aikins, K.C.
Geo. W. Allan
J. H. Ashdown
J. H. Brock
P. Burns
D. K. Elliott
G. V. Hastings
A. Macdonald
J. A. McDougall
R. D. McNaughton
A. M. Nanton
J. Robinson
F. W. Stobart
MANAGING DIRECTOR
R. T. Riley

Directorate of The Northern Mortgage Co.

PRESIDENT
G. V. Hastings
VICE-PRESIDENT
D. K. Elliott
MANAGING DIRECTOR
R. T. Riley
J. H. Ashdown
J. H. Brock
G. R. Crowe
G. F. Galt
A. Macdonald
J. A. McDougall
R. D. McNaughton
Jerry Robinson
Capt. Wm. Robinson
F. W. Stobart

THE NORTHERN TRUST COMPANY

EIGHT YEARS OF PROGRESS

1. The amount of subscribed capital is $1,500,000, of which $1,452,980 is now paid up.
2. Assets now under administration total $7,835,725.24, an increase over last year of $919,245.82, or nearly a million dollars.
3. The amount of Trust Funds deposited with the Company for investment has increased from the small amount of $97,422 in 1905, to $4,227,253.16 in 1912.
4. The net earnings of the Company in 1905 were $9,922.03, and for the year just closed the figure is $147,786.05.
5. Dividends paid to the shareholders after the Company had been in business one year amounted to $5,326.31, and the amount paid on this account in the year 1912 was $96,420.26.
6. Profit and Loss Surplus account now exhibits a balance of $225,604.46, and in 1905 this account showed a balance of $918.72.

Capital and Reserve Investment	**$1,728,516.41**
Trust and Agency Investment	**4,227,253.16**
Unrealized Assets and Trusts	**1,879,955.67**
Total under Administration	**7,835,725.24**

Send for Booklet, "Something About Trusts."

NEW YORK UNEASY

MANUFACTURING AND BUSINESS CONDITIONS ARE HOPEFUL.

Bankers Regard the Outlook as Very Encouraging—Tariff Reductions Anticipated Already Discounted—Cash Reserves of New York Banks Much Lower Than Year Ago—Utility Holding Companies and the Investment Market.

NEW YORK.—A thorough and exhaustive study of general business conditions was made by one of New York's largest commercial banks last week, in the course of which it sought the views of business men in every section concerning the commercial outlook and the possibility of a slowing down in general trade owing to the uncertainty over probable tariff revision. As a result of this inquiry it may be said:

First: It is evident that business men of the country are not looking forward with serious forebodings to the new administration. It is expected that the President-elect will give a safe and sane administration and one calculated to build up rather than to tear down enterprise. This feeling is almost universally held.

Second: Uncertainty because of expected tariff revision is unquestionably holding up business in a few industries, but there are industries that would be vitally affected by a lowering of the duties. The feeling of manufacturers is not at all one of fear that their business will be ruined, but, on the contrary, the opinion is that revision will be conducted sanely and with a view to disturbing business as little as possible. The knowledge that the schedules are to be changed within a few months, however, leads naturally to some cautious buying. It is generally felt that the work of revision should be pushed as rapidly as possible so that the period of uncertainty may not be prolonged.

Third: Taking the country at large, it may be said that the area of disturbed business is relatively small,and such branches of industry as are affected represent but a small proportion of the whole. It is significant from some centres where local industries would be affected by reduction, comes the assurance that tariff revision has been largely discounted, so that when new schedules are actually announced there will be little further adjustment required.

Is There a Slowing Down.

the disclosures of this investigation, therefore, go far toward refuting the theory that the country is witnessing a gradual slowing down of business in all lines. Such a theory is unfounded, and the information which the bank has received shows conclusively that general business not only continues good but that merchants, manufacturers and corporation managers everywhere expect it to be much better.

Some Active Industries.

From the South comes assurance that labor is fully employed, that factories are booked ahead with large orders, and that, except for a small section where the crops have been bad or where local conditions have been unfavorable, the expectation is for a satisfactory year.

The lumber industry is active under the impetus of increased building and heavy railroad buying.

In the sugar territory there is naturally a feeling of uneasiness as to how the tariff provisions will affect that industry.

The open winter has adversely affected a few branches of trade, but this, of course, is only temporary and not of great importance.

It is evident that business interests generally speaking are not looking for any material change in conditions to attend the transfer of the National Government from one party to another.

The record of bank clearings shows that the country is doing a larger business than it did at this time last year, weekly figures indicating gains of from 10 per cent. for the whole United States to nearly 15 per cent. for the territory exclusive of New York city.

Money.

Money rates at New York continue easy. Last Saturday's bank statement furnished quite a surprise in the form of an increase of no less than $25,838,000 the loans. Deposits meanwhile showed an expansion of but $8,992,000, which shows that the loans have gone into actual use. Largely as a result of the continued export movement of gold the cash reserve of all the Clearing House institutions registered in the aggregate a decrease of $3,609,000, and as there was an increase of $1,731,200 in the reserve requirements owing to the larger deposits, the actual cash surplus was reduced $5,340,200 and now stands at only $16,125,200 which compares with $40,-775,850 a year ago. This is unquestionably a very narrow margin from which to supply the continued demands for gold that are in sight for European countries. As soon as peace is formally declared in the Balkans, all the belligerents will be active borrowers. Not only will New York be called upon to aid in this European financing, but, what is of more importance, New York bankers will have to get along without the usual participation by Europe in American financing. This situation is causing much satisfaction both in home and foreign markets, but meanwhile there is a long period of dreary waiting for the dawn of peace.

Investments.

At the present time the favorite investments for new capital appear to be the preferred stocks of large manufacturing and trading concerns and also the bonds of public utility companies. So far as the utility companies are concerned a new danger appears to be arising that will probably increase as time progresses. This danger lies in the formation of holding companies which are buying up tractions, electric light and power plants throughout the country and issuing their own bonds for which these stocks are the security. This process naturally removes the form of simple investment that has been such an attractive feature of the utility securities and also seems to destroy the speculative feature of these investments. Heretofore the stock of many of these concerns has been offered as a bonus with the bonds and has seemingly permitted attractive opportunities for profits aside from the income of the bonds themselves.

Can Bonds.

The Directors of the American Can Company met in this city last week and authorized an issue of $15,000,000 15-year 5 per cent. gold debenture bonds. After the meeting it was announced that $14,000,000 of the bonds had already been sold to the Guaranty Trust Company of New York, and Lee, Higginson & Co., of Boston.

The Directors did not make known the purpose of the issue, but it was generally understood in financial circles that the proceeds would be distributed among holders of the company's $41,233,300 preferred stock to whom 32¾ per cent. was due, or more than $13,225,000 in back dividends. The reported price paid by the syndicate was 95 and interest, which, if correct, would meet the dividends in arrears and leave some $75,-000 over.

A statement issued after the directors dispersed set forth that the company would retire the bonds at 102½ and interest by means of a sinking fund into which $500,000 a year would be paid from current earnings. Mr Read said on behalf of the directors, that fuller information about the debenture issue and other matters pertaining to the company's management would be made public after the regular meeting of stockholders in Jersey City this week.

American Can shares have been a feature of the market for the past two weeks.

WINNIPEG OVER QUARTER MILLION PEOPLE.

WINNIPEG, MAN.—The new 1913 city directory, just issued, puts Winnipeg's population over the quarter million mark—or 260,436, to be exact. The increase in the past year is given at more than 33,000. While this is not a census, but a careful estimate by the directory publishers based on 2.75 people to every name in the directory, it is regarded as being fairly accurate. The figures are looked on as conservative. While this estimate of population includes Winnipeg's suburbs, it takes into consideration the actual commercial population, those who earn their livings through being in the city, and not merely the actual population as a municipality. This is a fair way to figure.

MONTREAL TRUST CO.

MONTREAL.—The Montreal Trust Co. increased its reserve by $100,000. Formerly rest account stood at $200,000, and it now stands at $300,-000.

Farquhar in South America

STRENUOUS DEVELOPMENTS IN PROSPECT—FRENCH INTERESTS ACTIVE.

Competition for Concessions for Railroad Construction is Very Keen—Farquahar Proposals Are Outbid By Rivals — Situation in Uruguay — Mexico North-Western.

LONDON.—The many concessions and schemes proposed by private interests and by the Government for extending the railway system of Uruguay are certainly growing very complex. The big State railway construction plans have not progressed much beyond the sketch map stage, while as for the Farquahar group's project the Government's enthusiasm has considerably cooled, especially since the French financial group came in and practically underbid their rivals. A curious feature of this position that the Farquhar proposition was accepted by the Government before the French scheme came along and gained favor. This has excited much criticism upon the Government's methods. The second proposal is more extensive, and embraces the interior network of railways which the Government provisionally set down in their bill a few months ago. It is understood that the French offer is such that the Government will not be committed by its acceptance to as much expenditure or liability as in the case of the Farquahar proposal. Meanwhile the Chambers are taking matters very leisurely, but an important matter in connection with the consideration of these proposals is that President Battle is believed to be on the point of resigning. This would considerably add to the present uncertainty for friends of the Farquhar syndicate on this side who are certainly unsettled by recent events. Whether the Brazil Railway group will endeavor to outbid their French rivals is difficult to say, but they will have to do something definite in the matter before long, if only for the reason that they are in possession of the concession for a line from Paloma to Puerto Charqueada, which constitutes a somewhat important limb in connection with the State railway projects. In Brazil also the Farquhar interests are not having an altogether happy experience, and they have failed to secure the control desired of the State lines of Argentine.

Mexico North-Western.

The Mexico North Western circular announcing the creation of £2,500,000, 15 year Prior Lien 6 per cent. bonds hardly came as a surprise to London in vie w of the recent course of the market in the Co.'s bonds and shares, although the amount desired is much larger than even the most pessimistic had anticipated. There is naturally some objection on the part of the holders of the first mortgage and the convertible bonds to the creation of this prior charge, but as no practical alternative has been suggested the official proposals will no doubt receive support. It is a pity that the directors have not definitely disclosed the difficulties with which the enterprise has been surrounded more speedily as the constant sagging of the Co.'s securities and the lack of official news have caused a loss of confidence and the fact now stated that the destruction of property and the losses resulting from the revolution, in all totaling up to a million sterling, has come as a shock to many. It is however recognised that the circumstances are altogether exceptional and are in no way the fault of the board. It is fully believed that with peace established the Co. will quickly regain its revenue earning power and will become a profitable undertaking, but it is obvious that if the Mexican Government cannot speedily suppress the revolution the position as far as holders of the junior securities are concerned will become very depressing.

Hopeful View of Southern Alberta Land.

With regard to the Southern Alberta the general view is now more hopeful than a week ago and the shares have shown some recovery being now around 22s. as compared with over 50s. a year ago. It is calculated that after allowing for all additional expenditure, now necessary, the surplus, taking the Co.'s land at little over half present prices works out at over 27s. 6d. for the shares or with the land valued on the basis of present prices for "irrigable" areas in the Dominion at £2 10s.. Dividend prospects are, however, postponed by recent happenings for at least a couple of years.

BRITISH COLUMBIA INVESTMENTS

We are always ready to advise upon sound investments in British Columbia

We hold large interests in Vancouver City and Suburban Real Estate, also in Agricultural Lands and Timber throughout the Province.

First Mortgages effected on sound inside City properties.

Estates managed. Rentals collected.

ALVO von ALVENSLEBEN LIMITED

Real Estate Agents. Financial Agents

HEAD OFFICE: PACIFIC BUILDING, VANCOUVER, B.C.

Branches: North Vancouver Victoria Nanaimo, B.C.

JANUARY DIVIDENDS

For the re-investment of Dividend Funds due at this time we have a good list of Securities yielding attractive rates and carrying the greatest degree of safety.

WRITE FOR PARTICULARS

National Finance Company, Limited

HEAD OFFICE: VANCOUVER, B.C.

Toronto Office: 10 Adelaide St. E. Ottawa Branch: 63 Sparks St.

Attractive Inside Business Properties in Vancouver

We have a number of good business properties from which the investor will receive a good return on his capital. ALSO A NUMBER OF FINE HOMES ON SHAUGHNESSY HEIGHTS.

We act as agents for the investor, collecting rents, etc. We can loan for you on FIRST MORTGAGE on 40% of a conservative valuation of property, guaranteeing payment of principal and interest, and netting you 8% INCOME.

Correspondence Invited

ALBERTA FINANCIAL CORPORATION, LIMITED

441 RICHARDS ST. .:. .:. VANCOUVER, B.C.

Earned 17.12% Last Year

Last year, after providing for expenses, interest on deposits and debentures, this Company earned 17.12%. In addition the shareholders were further protected by our reserve fund to the extent of $100,000, making this fund now total $500,000. Other departments made highly satisfactory gains.

A limited amount of permanent stock is now on the market. This bears interest at the rate of 10%, payable half-yearly. This is a very conservative investment, yielding a splendid dividend. Full particulars from the Company or at Toronto branch of the National Finance Company, Limited, 10 Adelaide Street East.

THE BRITISH COLUMBIA PERMANENT LOAN COMPANY

Head Office: Vancouver, B.C.

ASSETS $3,553,429 PAID-UP CAPITAL $1,000,000 RESERVE $500,000

Vancouver close in properties yield to the Investor 12%

There is nothing speculative, nothing problematical about Vancouver as a productive field for capital.

In the purchase of agreements of sale, in which there is absolutely no risk, clients who have availed themselves of our connection and experience are realising from 17 to as high as 22% on their money.

References: Bank of Nova Scotia, Vancouver, and Bradstreets.

L. H. BROWN & CO.

42-43 Flack Block, Vancouver, B.C.

Correspondence solicited. Cable "Financial" Vancouver.

FARM LANDS

along the Grand Trunk Pacific Railway, in Central British Columbia.

NORTH COAST LAND COMPANY, LIMITED

Metropolitan Building, Vancouver, B.C.

Paid up Capital $1,500,000.00

Expert Advice on British Columbia Investments

You can make money investing in British Columbia if you know how to invest. We maintain a department to advise you in such matters. Write for information of reliable B. C. investments. We make no charge for this advice.

Address:—Investment Dept.

THE BANKERS TRUST CORPORATION

164-166 Hastings Street, West, VANCOUVER, B.C.

JAMES M. WELBORN, President F.C. COOK, General Manager

Success in British Columbia

Success does not await every investor in British Columbia, for the reason that all investors do not use the same good judgment. Let us assist you in making your next investment. At any rate, get the benefit of our advice—it costs you nothing, and from a reliable, influential concern as The Title Holding Company, Ltd., may be invaluable to you.

The Title Holding Company, Limited

164-166 Hastings Street West, VANCOUVER

N. L. ROGERS, General Manager F. C. COOK, President

CANADA PERMANENT MORTGAGE CORPORATION

ANNUAL MEETING

The Annual Meeting of Shareholders of the Canada Permanent Mortgage Corporation was held at the head office of the Corporation, Toronto street, Toronto, on Monday, the 3rd February, at twelve o'clock noon.

The chair was taken by the president, Mr. W. G. Gooderham. The Secretary, Mr. George H. Smith, was apointed secretary of the meeting, and read the report of the Directors for the year 1912, and the Statement of Assets and Liabilities, which are as follows:—

REPORT OF THE DIRECTORS.

The Directors have much pleasure in presenting to the Shareholders the Annual Statement of the business of the Corporation for the year 1912, duly certified by the Auditors.

The net profits for the year, after deducting interest on borrowed capital, expenses of management, and all charges and losses, amounted to $826,799.32. This sum, with the unappropriated profits as at December 31st, 1911, $59,228.60, made a total of $886,027.92, which amount has been appropriated as follows:—

Four quarterly dividends of two and one-quarter per cent. each on the Capital Stock	$540,000.00
Transferred to Resreve Fund	250,000.00
Balance carried forward at credit of Profit and Loss	96,027.92
	$886,027.92

The Reserve Fund now amounts to Four Million Dollars.

All which is respectfully submitted.

W. G. GOODERHAM, President.

Toronto, January 15th, 1913.

GENERAL STATEMENT

LIABILITIES.

Liabilities to the Public

Deposits and accrued interest	$ 5,637,112.69	
Debentures—Sterling—and accrued interest (£2,464,327 18s. 9d.)		11,993,060.20
Debentures—Currency—and accrued interst	3,000,525.29	
Debenture stock and accrued interest (£87,850 19s. 11d.)	427,541.51	
Sundry accounts	9,827.94	
		$21,068,067.63

Liabilities to Shareholders

Capital stock	$6,000,000.00	
Reserve fund	4,000,000.00	
Dividend payable 2nd January, 1913	135,000.00	
Balance carried forward at credit of profit and loss	96,027.92	
		$10,231,027.92
		$31,299,095.55

ASSETS

Mortgages on Real Estate	$28,948,472.19
Advances on bonds and stocks	362,182.55
Municipal debentures, bonds and other securities	434,389.38
Office Premises (Toronto, Winnipeg, Vancouver, Saint John, Edmonton and Regina)	621,855.11
Cash on hand and in banks	932,196.32
	$31,299,095.55

R. S. HUDSON, JOHN MASSEY, Joint General Managers.

We beg to report that we have made an audit of the Accounts, and have examined the Vouchers and Securities of the CANADA PERMANENT MORTGAGE CORPORATION for the year 1912. We certify the accompanying Statement is a true exhibit of the Corporation's affairs as shown by the books as at 31st December, 1912.

A. E. OSLER, A.C.A., HENRY BARBER, F.S.A.A. (Eng.) Auditors.

Toronto, January 15th, 1913.

Mr. W. G. Gooderham, the President of the Corporation, then said:—

Before moving the adoption of the Directors' Report to the Shareholders for the year 1912, it gives me pleasure to state that, as intimated in my remarks at the annual meeting last year, the dividend for 1912 was increased to nine per cent. as conditions were sufficiently favorable to warrant the increase, and I am glad to say that the business for the year has been so satisfactory that we have been able, out of the earnings of the year, not only to pay the increased dividend of $540,000, which was $60,000 in excess of the previous year, but to add to our reserve fund another $250,000, and to carry over to unappropriated profits a sum which brings that fund up to $96,027.92. The reserve fund now stands at $4,000,000. I trust every shareholder will appreciate not only the wisdom, but also the necessity, of making substantial additions to our reserve fund which forms an additional security to those who entrust their funds to us. I may say, also, that with conditions as they are, we feel warranted in further increasing the dividend at the next quarter to two and one-half per cent., being at the rate of ten per cent. per annum.

It will perhaps be of interest to the shareholders to recall the progress of the Corporation in recent years. We began the year 1906 with a reserve of $2,200,000 and unappropriated profits amounting to $44,708. At the close of 1912, our reserve had increased to $4,000,000 and we have $96,027 of unappropriated profits. At the earlier date named we were paying a dividend of six per cent., which, during the seven years has been steadily increasing till, as I have stated, the shareholders may now expect to receive ten per cent. per annum beginning with the next dividend period, 1st April, 1913.

Collections on our mortgages have been satisfactory during the past year. The amount collected for principal and interest on mortgages alone, reached the substantial sum of $5,436,781.62.

Notwithstanding the receipt of so much money from our mortgagors, and although our borrowed money including Sterling debentures, has increased beyond the amount at the beginning of the year by $955,680.07, we have still been unable to meet all the demands that have been made upon us, on securities that would have been readily accepted had it been possible to provide the money, and there has been no occasion for a reduction in the rates obtained. On the contrary, the rates of interest we have obtained during the year have been somewhat higher. While this is the case, and while the present indications are that lenders may continue to receive profitable rates of interest for some time to come, it is only reasonable to presume that any cessation of the wonderful progress which is taking place in the growth and development of the country, may result in a lessened demand from borrowers, and a consequent reduction in the rates of interest obtainable.

I cannot refrain from commenting on the increase in our Sterling debentures, notwithstanding the disturbed condition of the financial world. This is doubtless owing to an appreciation by investors of the excellent security we offer and to the valued services of our representatives in Scotland.

During the past year the usual critical inspection of our securities has been made, as your Directors feel the necessity of continually exercising the greatest possible care, not only in the selection of investments but also in maintaining our margin of security. While this is always our policy, it is especially advisable in a time like the present when the selling price of land—especially in cities and towns—is increasing so rapidly. While there does not appear to be any present indication of an early depression, should the condition of the real estate market change, our constant supervision places us in a position to meet any period of lessened activity, with confidence. In view of the fact that the development of cities and towns has been much more rapid than that of agricultural sections, great as the latter has been—and consequently, the selling prices of town properties have been increasing much more rapidly—it has been the policy of your Directors, in selecting our securities, to give the preference to moderate loans on improved farms which are occupied and cultivated by the owners, thus assisting the agricultural development of the country. The conditions which existed during the past year, when, as previously stated, the funds available were never quite equal to the demand, afforded an excellent opportunity for the pursuit of this policy. By a consistent method of discrimination in the acceptance of applications, and by reasonable increases in the rates of interest as the condition of the money market warranteed, the land mortgage companies have been able to meet the moderate requirements of borrowers, and at the same time may have done something to retard too rapid expansion of building operations, and the natural tendency towards an increase in the selling price of lands in town and cities which —if continued—might become unhealthy. For a time we discontinued loaning on city and town property, and have always been very guarded in making advances in localities where the selling prices have shown signs of inflation. I suppose it is not necessary to say that we never lend on vacant or unproductive properties, either urban or rural.

A great deal of money is being sent into the Dominion, and particularly into the Western Provinces, by investors who are attracted by the rates of interest obtainable and the many opportunities for investment. It should be remembered that the loaning of money is a business which canot be learned in a day, but requires a long apprenticeship and much experience, if the investor or his agent has in view the permanent security of his investment, and not merely the securing of a mortgage at a good rate of interest on what at present appears to be a fair security. Loans on real estate are made for a term of years, during which existing conditions may materially change, an da knowledge of the science of such investments which can only be gained by long experience, is required, not only in their selection, but also in their subsequent management, if they are to stand the test of recurring periods of business depression. Even financial institutions formed for the purpose of embarkupon a line of business which, under other experienced management, has been profitable, are not always successful, and not infrequently in the hands of valuators possessed of only limited experience, have met with disaster. It is no guarantee that an enterprise will prove successful because similar institutions can be pointed to as having succeeded.

I regret to have to record the death of three of our Directors during the year. Mr. Samuel Nordheimer, Mr. Frederick Wyld, and Mr. W. H. Beatty. Mr. Nordheimer was identified with the Canada Permanent Building and Savings Society at its inauguration, and continued to be identified with the new Corporation up to the time of his death. No company could have had a more loyal or staunch supporter than Mr. Nordheimer, and his wise counsel doubtless aided in bringing about the substantial condition in which the Corporation finds itself to-day. Mr. Wyld was one of the original members of the Board of this Corporation, and was held in high respect for his shrewd and sound judgment. Mr. Beatty, the last of the three to be called by death, was one of the original Directors of the Corporation, for some years vice-president, and subsequently president, and took a prominent part in guiding the affairs of the Corporation. The places of the deceased on the Directorate have been supplied by the appointment of Mr. John Massey, one of the joint general managers, Mr. F. Gordon Osler, and Mr. E. R. C. Clarkson, whose appointments I trust the shareholders will approve.

In conclusion I may say that your Directors are well satisfied with the undoubtedly sound condition of the Corporation, and I have much pleasure in moving "That the Report of the Directors be rereceived and adopted, and, together with the general statement, be printed and a copy be sent to each shareholder," which will be seconded by the first vice-president.

In seconding the motion for the adoption of the report, Mr. W. D. Matthews, the first vice-president, spoke of the safe margins of security on the five and ten year mortgage loans being made still more safe by the increased value of farm lands in recent years. He stated that on his regular and frequent visits to the western provinces, he found the staffs of our different branch offices enthusiastic in the Corporation's interests. This was very important as so much depended upon the successful carrying out by the staff of the Directors' policies. As the president has stated we were giving more attention to loans on improved farm properties than ever. Farm values were still on a very low basis, as contrasted with town and city values, so that it would need a serious setback indeed to put that class of securities in a precarious condition. He saw no reason to doubt but that the Corporation's business in the year 1913 would be quite as satisfactory as that of 1912.

The President's motion for the adoption of the report was unanimously carried.

Mr. G. W. Monk, the second-vice-president, said:—

As many of you are aware through the press, your Directors during the past year deemed it advisable to apply to Parliament for the incorporation of a Trust Company to undertake the duties of executors and trustees under wills, etc. We are but following the lead of some of the great banks in Great Britain, and indeed that of many of the leading financial institutions in Canada as well.

We ought to have power to take care of the estates of such of our shareholders, debenture holders, or depositors who might want us to administer their affairs in the interest of their families. We are not seeking, but are being sought after, in this regard. Already some shareholders have expressed their desire that we should take their estates in hand and have been disappointed to learn that we have not the necessary legal power.

The company is to be known as the Canada Permanent Trust Company and to be owned by the Canada Permanent Mortgage Corporation; the Directors to be, as far as possible, the same as the parent Company, and the profits of the new company to accrue entirely for the benefit of the shareholders of the Canada Permanent Mortgage Corporation, and I would move that the shareholders approve of the action of the Directors in inaugurating a Trust Company owned and to be operated for the benefit of the shareholders of the Canada Permanent Mortgage Corporation.

Lt.-Col. A. E. Gooderham said,—"Mr. Chairman, I have much pleasure in seconding that resolution, and in addition to what Mr. Monk has said may I be permitted to say that this subject has had very careful consideration by the Directors and the support of a great many of the large shareholders."

The motion was unanimously adopted.

The election of Directors which was then held resulted in the unanimous re-election of Messrs. W. G. Gooderham, W. D. Matthews, G. W. Monk, Lt.-Col. Albert E. Gooderham, J. H. G. Hagarty, John Campbell, S.S.C., (Edinburgh), R. S. Hudson, John Massey, F. Gordon Osler, and E. R. C. Clarkson.

At a subsequent meeting of the Board, Mr. W. G. Gooderham was re-elected President, Mr. W. D. Matthews, First Vice-President, and Mr. G. W. Monk, Second Vice-President

Real Estate Notes

TORONTO.

Striking Instances of Increased Prices Shown in Some Recent Transactions.

TORONTO.—As far as statistics are concerned, Toronto has started the new year with a good record. Building permits in January amounted to $1,276,084, as against $774,165 in 1911. This is an increase of over half a million dollars, or 65 per cent. The number of permits issued increased from 142 to 336, and the buildings to be erected from 222 to 484. Customs collections which, the collector says, have not gone behind once for the last five years, show a 25 per cent. increase. Bank clearings amount to $196,-761,000, an increase of $20,741,000, or over 11 per cent. The percentage increase in bank clearings is low, but under existing money market conditions, a high record in clearings cannot be expected.

As stated in preceding issues of The Post, the real estate record for the month has been well up to expectations. There has been an insistent movement in down-town property, while vacant land for building has been unusually active. These same conditions prevail at the beginning of February.

Proposed Government Expenditure.

The main estimates recently tabled at Ottawa included an expenditure of $1,-700,000 for Toronto.

Yonge Street Properties.

No. 428 Yonge Street, with a frontage of almost 25 feet, has been purchased at $3,200 a foot, not far below the $4,000 a foot level recently reported to have been paid for the only property not secured in the mysterious Yonge-Carlton block. The south-west corner of Yonge and Irwin Streets has been sold at $1,500 a foot, the property having a frontage of 37½ feet.

An English syndicate which secured a property at the corner of Agnes and Yonge Streets in October last, intending to erect a large building on the site, has been offered an advance of 25 per cent. on the price then paid, and are seriously considering selling.

A $300,000 Transaction on King Street.

The sale of 7 and 9 King Street East, adjoining the C.P.R. building, has been concluded, the price being, as stated in last week's Post, $10,000 a foot. The property, 30x100, is being purchased by Bowles, Limited, which firm will open a "serve-self" restaurant there. The vendors were the Imperial Bank, Robins Limited, acting as agents.

Forty feet of a parcel of land at 137-143 Wellington Street West, bought last May at $650 a foot, sold recently for $900 a foot.

New Government Building on University Ave.

Colonel Biggar, of the Militia Department, was in Toronto this week and decided to take up the option the Government obtained about seven years ago to purchase the property belonging to Lady Kirkpatrick on Simcoe Street at $35,000. There is about 260 feet of land running through from Simcoe to University Ave. and the old residence, formerly the home of Sir William P. Howland.

Now that the Federal Square has been definitely abandoned, it is the Government's intention to tear down the Kirkpatrick building and erect a large office building to be called the Kirkpatrick House, to house the Militia Department headquarters and some other Government Departments.

The property is now probably worth two or three times the amount at which the Government acquired it.

Some Recent Acreage Deals.

A ten-acre property on the east side of Bathurst St., about half way between St. Clair and Eglington Ave., has been sold at between $70,000 and $80,000, or about $7,000 an acre. Two years ago twenty acres were bought for $85,000, indicating an increase of almost 100 per cent.

Another property, consisting of 10½ acres at the south-east corner of Spadina Road and Eglington Ave., has sold at $55,000, or over $5,000 an acre. This property was bought two years ago for $24,000, an increase of over 225 per cent.

Stephen Maas, of the George H. Hees Co., has purchased two acres on Davenport Road, immediately west of Sir Henry Pellatt's property.

Six acres on Danforth Ave. have been bought for subdivision at $5,000 an acre. The Jardine property at Davenport and Christie St., consisting of 10 acres, was purchased at $150,000.

A Toronto dealer recently told The Post that prices around St. Clair and Dufferin Sts. had jumped 25 per cent. since the beginning of the year. There have reecntly been several transactions in St. Clair Ave. property which instance this rapid increase. A property at St. Clair and Vaughan Rd., bought three months ago at $300 a foot, was sold last week for $700.

WELLAND.

Another Addition to Welland's Industries.

It is stated that the Canadian Bank of Commerce is endeavoring to provide a site for a branch in Welland. An offer of $9,750 was made for a brick store on East Main St., but this was not accepted. The Royal, Dominion, Nova Scotia, Toronto and Imperial Banks already have established branches in Welland, and the Commerce will make the sixth.

New Factory Promised.

The Welland Industrial Commissioner announces that a company, which will manufacture a cotton fabric used in the making of automobile tires, having a capitalization of $500,000, and which will employ at the outstart 250 men, has been formed. The name of the company is not yet made public, but a charter has been applied for. A site of twenty acres east of the G.T.R. has been acquired, and contracts for the erection of the plant will be let in a month. It is expected that the building will be completed by October. Arrangements have been made for the sale of the entire output of the company.

Welland's Industries.

Industrial Commisioner McCormick gives the following statistics regarding Welland's factories in his annual report to the Board of Trade:

Total number of mfg. plants in aperation in 1912	22
Total employes in the above plants	2,596
Wages paid employes in above plants	$1,484,147
Amount product shipped by plants	7,064,966
Am't improvements made by plants	563,665
Increase over 1911 in factories	6
Increase over 1911 in employes	498
Increase over 1911 in pay roll	313,235
Increase over 1911 in production	1,211,507

The Commissioner states that if Welland's building permits had included buildings erected outside the corporate limits, the total would have reached one million dollars, instead of less than half a million as shown by official figures. The following comparisons indicative of Welland's growth since 1906 are interesting:

	1906	1910
Number of banks	1	5
Electric Railways	0	2
Telephones installed	75	702
Employes	100	2,596
Factories in operation	1	22
Annual pay rolls	$ 50.000	$1,484.147
Annual products	150,000	7,064,466

REGINA.

Acreage Transaction at $350 an Acre.

The Flood Land Co. recently concluded a transaction whereby Eastern investors purchased the north half section of 30-16-19 at $350 an acre, the total amount involved being $112,000. The tract purchased lies south of the city and will, it is understood, be placed on the market as acreage. The property was personally inspected by the purchasing syndicate before the transaction was entered upon.

ROBINS LIMITED.

Messrs. Robins, Limited, real estate brokers of Toronto, with branches at Montreal and London, Eng., have occupied their new building at the north-east corner of Victoria and Richmond Sts.

(Continued on page 21)

Real Estate Notes

The company was formerly situated at the north-east corner of Adelaide and Victoria. The new building, which was erected by the company with a view to using the whole building for its own business, has a total floor space of almost 20,000 square feet. The offices are splendidly furnished, are spacious, and well laid out.

FORT WILLIAM.

Another Large Acreage Deal Involving $150,000.

Lot 10, Concession 2, comprising 100 acres in the Western limits of the city, about one mile north of the Kaministiquia River, was sold last week to a party of Eastern Ontario capitalists. G. H. Adair, acting for the purchasers. The price realized was $150,000, or $1,500 an acre. Just one year ago, the owners of this property listed it for $75,000. Since then it has gradually risen in value and several times has been withdrawn from sale until finally disposed of at the figure mentioned. The property was purchased a few years ago by the present vendors for $27,000. During this time, the increase in value has been about 555 per cent.

This last transaction is the seventh large realty deal put through in Fort William in January. The record of these transactions is as follows:

Lot 3, Concession II. (100 acres)	$350,000
Lot, 4, Concession II., (100 acres	260,000
Lot 10, Concession II., (100 acres).....	150,000
18 acres on Island No. 1 (Maritime Nail Co	100,000
46 acres on Island No. 1 (Dominion Iron and Steel	250,000
Empire Hotel, Simpson Street	100,000
100 ft. on North Syndicate Ave.	70,000
	$1,280,000

Another Enlargement to Elevator "D."

Elevator "D," owned by the C.P.R., which, at the beginning of 1912, had a capacity of 2,850,000 bushels storage and which, was enlarged last year by an addition of 2,000,000 bushels, bringing the total storage capacity to 4,850,000 bushels, is again to be enlarged to a total capacity of 7,500,000 bushels. Work on the new addition will begin as soon as weather conditions permit.

MONTREAL.

Thirty-Eight Ten-Storey Office Buildings Already Planned for Erection.

MONTREAL.—Owing to the continued scarcity of money, wherewith to finance the bigger deals, sales of that variety of property have not been numerous during the first weeks of 1913.

As far as general real estate goes, the prospect is good. Practically all the reliable houses report their first five weeks' business to be considerably in advance of last year. The chief activity is in houses and house properties. The demand for these is especially keen, and most dealers claim that they cannot nearly supply the demand. Houses are extremely scarce, and in consequence, prices asked probably represent pretty nearly full value, if not a little more.

Many New Office Buildings.

Very much the same may be said of office buildings. In spite of the busy campaign carried on all last year, there does not seem to be an over supply of office buildings yet. So one might judge, at least, from the number planned to go up this spring and summer. It was stated to The Post by a man pretty well informed on the subject that some thirty-eight, ten-storey modern office buildings were already planned for this year. Contracts have already been let for ten buildings and construction will probably begin on most of them just as soon as the frost is out of the ground.

Sub-Divisions Fairly Active.

Sub-divisions are reported to be doing very well. One firm which has placed many blocks of land on the market the last few years, sold 400 lots last week. This would seem to indicate that the present year is not going to be a dull one for sub-divisions.

Recent Transactions.

Quite a number of little sales have been put through within the past few days. These include a small Craig St. property, bought last summer for $40,000, and resold last week for $60,000, an increase of 50 per cent. The new price is equal to about $19 a foot. This transaction shows well how the values of Montreal central property are increasing. Other sales of the week included the purchase by Messrs. Byers & Anglin, of 320,000 feet of land just beyond Outremont. This property is for terminals and tracks.

A property on Burnside Place and Metcalfe Street was sold to C. A. Duclos for $100,000.

GALT.

Large Number of New Residences to be Built.

It is authoritatively stated that Galt, this year, needs three hundred new dwelling houses. To meet this demand for housing accommodation, three builders have already announced their intention to erect 120 residences, to be built on three new subdivisions. Several extensions to manufacturing plants are contemplated, and a good increase over the high building record of last year is anticipated for 1913.

NEW TORONTO REAL ESTATE FIRM.

A new firm under the name of M. S. Boehm & Co., has been formed to carry on a real estate business in Toronto. Mr. Boehm was formerly with Robins Limited. The president of the company is Mr. H. C. Scholfield, M.P.P. of Toronto. The company's Toronto offices are at 168 Bay St., a branch is also being established in Montreal.

ST. CATHARINES.

Proposal for the Entrance of the C.N.R.

Vice-President Hanna, of the Canadian Northern Railway, conferred with the city council of St. Catharines this week relative to the C.N.R. entering St. Catharines, the company having abandoned its intention of following the mountain from Beamsville east to the Niagara River for its route from Toronto and Hamilton. The railway company proposes to build into the central section and there erect a modern station. The company agrees also to build a double-track viaduct, with two vehicular driveways, across the old canal. The city is asked to grant a bonus of $100,000. The council unanimously approved of the plan, and the matter will be submitted to the ratepayers at an early date.

St. Catharines has made excellent progress in many ways during the past year, as is exemplified in its building permits which last year exceeded the $800,000 mark, an increase of 205 per cent. over the year before. With this progress has come real estate activity, as well as some unnecessary sub-dividing. The entrance of the C.N.R. will give importance to the city, and be a factor in increasing its development.

PRINCE ALBERT.

The real estate dealers of Prince Albert are organizing an association to be known as the Prince Albert Real Estate Association.

BRANDON, Jan. 31.—Seventy-two lots in Patmore Park, close to the new Normal School, were recently sold to an English syndicate for $21,600, or $300 a lot.

LAKE OF THE WOODS.

Insiders Said to be Stowing Away the Stock of the Company.

MONTREAL.—The recent attempt of the Dominion Trust Co. to secure a large block of Lake of the Woods Milling Co. at a certain price is now known to have fallen through. Although options were secured on several thousand dollars worth of stock, the amount was not sufficient, and the options have been allowed to expire without any attempt being made to take up the stock. This corresponds with forecasts made at the time, though scarcely proving that no real attempt was made to obtain control.

Regarding the present position of the Lake of the Woods Co., Farrel Seely & Co., in a special circular issued this week have the following to say:

Recently particular attention has been drawn to Lake of the Woods Co., as a result of a circular issued by new interests who are desirous of securing the control of the company. This control is thought to be in the hands of a few interests, among them being the Meighen family, Lord Strathcona and John Manuel, of Toronto. It is not thought to be the desire of these interests to relinquish the control and President F. Meighen has stated that he did not think, in view of the possibilities of the company, that shareholders should sell their stock even around the prices that have prevailed more recently, as a result of the increased enquiry. From time to time there has also been steady buying of Lake of the Woods common by some of the insiders, who have been putting it away gradually in view of what they consider the attractive outlook there is for the company. Lake of the Woods common stock had been holding around 130, but as a result of the enquiry for control, advanced across 147, and has been ruling around 145 for some time. Lake of the Woods preferred is regarded as a particularly high class investment. The prevailing price is around 115. The preferred stock also carries voting power as well as the common. In this connection it may be remarked that the entire holdings of the Meighen family are in preferred stock, they not holding any of the common at all. The common stock has been paying 8 per cent. dividends, and although it is not thought likely that the regular dividend rate will be increased, it is the opinion that valuable rights or bonuses will come to shareholders within the next few years. The earnings of Lake of the Woods Milling Co., Limited, for the past few years have been as follows:—

	Gross Profits.	Earned on Common
1911-12	$457,011	11.99%
1910-11 ...	412,153	29.62%
1909-10	475,226	12.58%
1908-09	723,380	24.45%
1907-08	401,869	9.35%

NEW PARTNERSHIP.

MONTREAL.—The firm of Lounsbery and Company, Members New York Stock Exchange, with offices at No. 15 Broad Street, New York, and No. 91 St. Francois-Xavier Street, Montreal, Canada, will, after March 1st, 1913, be amalgamated with the firm of Jenks, Gwynne & Co.

The partners of the new firm will be Wm. P. Jenks, Arthur C. Gwynne, Philip M. Lydig, Louis S. Colwell and A. R. Hoyt.

The firm will have memberships on the New York Stock Exchange, New York Cotton Exchange, New York Coffee Exchange, Chicago Board of Trade, New Orleans Cotton Exchange; and will be associate members the Liverpool Cotton Association. The main offices of the new firm will be No. 27 Williams Street, New York.

The firm will be connected by private wire with its branch office, No. 91 Francois-Xavier Street, Montreal, which office will be in charge of L. S. Colwell as Resident Partner.

FORT WILLIAM STORAGE.

The storage capacity of Fort William elevators is 24,000,000 bushels with 57 vessels in the harbor capable of storing another 12,000,000 bushels; bringing the total storage capacity (in round figures) up to 36,000,000 bushels. From information to hand, there is approximately 19,000,000 bushels stored in the boats and elevators, leaving space available yet for 17,000,000 bushels. With the brisk movement of export wheat via all rail to the Atlantic Seaboard, it is quite unlikely that any blockade will occur at Fort William before the opening of navigation.

A MAD DOG.

During the debate on the new Bank Act last week, Major Currie made use of this homely illustration:

"Start a rumor down the street about a bank being in difficulty, and in a moment the rumor has spread miles away and people are hurrying to the bank to get their money, and at once you have a panic, sometimes local, sometimes far-reaching. It reminds me of the story of the old Quaker who found that a dog had broken into his larder, and, not wishing to kill the dog, he being a man of peace, took the animal outside, started him down the street calling: mad dog, and in a short time a horde of people were chasing the unfortunate animal until finally a policeman ended its days."

The announcement of the increased capital of the Midland Railway Co. from half a million dollars to one million dollars foreshadows a large building programme that will lead to a line of this railway (which is really the Great Northern Railway in Canada) being extended to Fort William.

The Trusts and Guarantee Company, Limited

Head Office:—43-45 King Street West, Toronto

The Sixteenth Annual General Meeting of the Shareholders of The Trusts and Guarantee Company, Limited, was held January 31st, 1913, in the Company's Board Rooms.

The President was requested to act as Chairman, and the Manager as Secretary. The minutes of the last Annual General Meeting were read and confirmed.

The President then presented the

Sixteenth Annual Financial Statement

BALANCE SHEET, DECEMBER 31st, 1912

LIABILITIES.

Capital Account—		
Capital Stock subscribed	$2,000,000.00	
Dividend due January 1st, 1913	40,320.72	
Sundry Accounts payable	5,620.89	
Balance at credit of Profit and Loss	804,540.80	
		$ 2,350,482.41
Guaranteed Trust Account—		
Trust Funds, with Interest accrued to date	$3,599,141.04	
		3,599,141.04
Estates and Agency Account—		
Estates and Trusts under administration by the Company	$5,196,383.42	
		5,196,383.42
		$11,146,006.87

ASSETS.

Capital Account—		
Mortgage Loans, Call Loans, Debentures and other Securities, with Interest accrued thereon	$1,251,624.15	
Office Premises at Toronto and Calgary, Safe Deposit Vaults, Fixtures, etc.	282,768.25	
Real Estate	70,274.24	
Cash on hand and in Bank...	90,716.43	
		$ 1,695,388.07
Uncalled Capital Stock		655,099.34
		3,599,141.04
Guaranteed Trust Account—		
Securities on Real Estate, Stocks, Bonds, Debentures, etc.	$3,457,682.90	
Cash on hand and in Bank ..	141,458.14	
Estates and Agency Account—		
Mortgages on Real Estate....	$1,368,099.69	
Other Securities, including Unrealized Original Assets ..	3,599,761.11	
Cash in Bank	228,522.62	
		5,196,383.42
		$11,146,006.87

Table, showing the substantial and continuous progress made by the company.

Year.	Trust Funds Guaranteed.	Estates Trust Funds.	Total Assets.	Paid-Up Capital.	Net Profits.
1905	$ 82,922.59	$ 644,442.62	$ 2,870,906.16	$1,037,883.71	$ 68,002.67
1906	294,526.35	1,259,663.78	3,726,023.51	1,063,485.59	79,234.22
1907	785,421.52	1,851,013.16	4,830,482.13	1,120,002.22	86,009.87
1908	1,341,660.37	2,325,662.42	5,883,677.58	1,154,484.92	89,729.60
1909	1,936,233.72	3,251,479.94	7,431,639.29	1,251,109.57	97,590.55
1910	2,862,212.12	3,801,378.66	8,937,789.81	1,303,359.57	104,869.91
1911	3,237,694.80	4,579,046.73	10,123,169.48	1,321,862.97	110,194.42
1912	3,599,141.04	5,196,383.42	11,146,006.87	1,344,900.66	117,906.75

A vote of thanks to the Board of Directors, Advisory Board to the Alberta Branch, and the Officers and Staff for their efficient and painstaking services in the interest of the Company, was passed.

The following were elected Directors for the ensuing year: J. H. Adams, Toronto, Ont.; W. D. Bell, Chesley, Ont.; A. C. Flumerfelt, Victoria, B.C.; Lloyd Harris, Brantford, Ont.; D. W. Karn, Woodstock, Ont.; C. Kloepfer, Guelph, Ont.; A. F. MacLaren, Toronto, Ont.; Hon. Senator McMillan, Alexandria, Ont.; C. E. Ritchie, Akron, Ohio; G. P. Scholfield, Toronto, Ont.; E. B. Stockdale, Toronto, Ont.; W. Thoburn, M.P., Almonte, Ont.; James J. Warren, Toronto, Ont.; Matthew Wilson, K.C., Chatham, Ont.

The Board subsequently met and elected unanimously Mr. James J. Warren, President; Messrs. D. W. Karn, C. Kloepfer, C. E. Ritchie, Vice-Presidents; E. B. Stockdale, General Manager, and C. S. Hamilton, Secretary of the Company.

JAMES J. WARREN, President.

E. B. STOCKDALE, General Manager.

The Standard Trusts Company

Makes a Good Shewing

ANNUAL REPORT OF THE DIRECTORS

There was presented on Thursday the 30th day of January, 1913, at 3 p.m. to the Shareholders of the company, at the Tenth Annual Meeting, held at the offices of the Company, in the Standard Trusts Company's Building, 346 Main street, Winnipeg, the annual report of the Directors.

The following shareholders were present:—Sir William Whyte, K.B., Messrs. J. T. Gordon, Wm. Harvey, P. C. McIntyre, C. H. Mansur, Wm. Cross, G. F. Stephens, W. A. Matheson, Dr. Popham, W. E. Lugsdin, Dr. Blanchard, Thos. Atchison, Geo. Anderson, H. Sandison, H. Mullins, John Stovel, A. H. Pulford, Thos. Bruce, Dr. J. R. Jones, and F. H. Schofield.

On motion, the president, Mr. J. T. Gordon, was called to the chair; the secretary of the company, Mr. W. E. Lugsdin, was requested to act as secretary of the meeting, while Messrs. Bruce and Stovel were appointed scrutineers.

Mr. Wm. Harvey, the managing director, read the notice calling the meeting, then the Directors' report and financial statement, and thereafter spoke as follows:—

Mr. Chairman and Gentlemen:—

The statement and report which I have just read to you represent, as you can readily understand, the busiest year yet in the Company's comparatively short career. Practically each year of its history has witnessed giant strides forward, and I can promise you through our Chairman, our worthy President, as well as through our vice-president, Sir William Whyte, some very convincing facts and figures this afternoon all bearing, directly and indirectly, upon The Standard Trusts Company's prosperity.

In previous years I have adverted to the reason why the average Trust Company conducted on the lines of a sane and sound policy can earn relatively higher earnings on its capital than the straight lending institution. The latter's source of profit is circumscribed between its borrowing and its lending rates. The difference, less cost of carrying on its business and providing for bad and doubtful debts, is its profit, without any other source of revenue. For the information of our Stockholders present, as well as those absent, I would explain that to earn the 21 per cent., which we show as our net return on capital, we have at least three sources of revenue. First, the fees arising out of administration of Estates, which is our primary function. Second, interest on our mortgage investments, some of which are of a guaranteed character, where the Company receives the difference between the rate we guarantee (necessarily lower than the guaranteed investment) and the rate the mortgage itself bears; and those investments—usually the larger proportion—where we earn a yearly commission on the amount invested and the client takes the mortgage at its face and without involving the Company's guarantee; and third, commissions earned in our real estate department in buying and selling properties for clients, collecting rents and interest on their behalf, as Attorney and Agent; fees obtained in acting as Trustee for Debenture holders, Transfer Agent, Registrar of Stocks, Trustee for Mortgage Corporations and other credits received on miscellaneous business too numerous to mention, and yet which come strictly within the scope of a fiduciary Agent, such as the Standard Trust Company is.

When we incorporated ten years ago, we purposely struck out of our proposed Charter the power which the Legislature was ready and willing to give us, authorizing us to receive deposits and conduct a semi-banking business, but your provisional directors felt with me that to assume such a grave responsibility was tantamount to courting trouble when the first evidence of financial stress or panic appeared in the banking world. We are not bankers, although Trust Companies are so regarded in the United States, and do not want to be regarded as such, but we are first, last and always what we originally set out to be, a healthy, strong, legitimate Trust Company in the broadest sense of the term, inviting the public's fullest sympathy and support and extending in return an equally sympathetic helpfulness in the honorable discharge of a particularly high and sacred calling—Trustee for the living as well as for the dead.

I have thought it well to offer this explanation to you, as often the question is put to me, "How does your Company n.anage to put forth such satisfactory statements?"

Before our Chairman addresses you and puts his motion for the adoption of the Report, I shall be glad to answer in detail any questions that may be asked regarding the Financial Statement, or the Company's affairs."

REPORT OF THE DIRECTORS.

To the Shareholders:— Winnipeg, January 23rd, 1913.

Your Directors beg to present their report for the year ended 31st December, 1912. While nominally, it is their tenth Report, it, in reality, represents the result of business covering nine years and a fractional part of a year.

The Balance at credit of Profit and Loss Account on 31st December, 1911, was	$	3,618.71
The Net Profits for the year, after making all proper deductions, amounted to		104,982.42
		$108,601.13
This sum has been appropriated as follows:—		
Dividend No. 16 at eight per cent. per annum	$	20.000.00
Dividend No. 17 at nine per cent. per annum		22,500.00
Transferred to Reserve Fund		62,500.00
Balance carried forward		2,601.13
		$108.601.13

RESERVE.

Balance on 31st December, 1911	$200.000.00
Added as above	62,500.00
	$262,500.00

From the above it will be seen that the Company has fully sustained the hope entertained by some of the Shareholders that a dividend in keeping with the profits earned and the Reserve created would be declared. It was felt by some that when the Reserve reached fifty per cent. of the paid-up capital of the Company, earning as it has been, twenty-one per cent. on its capital, would go on a ten per cent. dividend basis, but your Directors, actuated as they have always been, by careful conservative management, deemed it prudent that twelve per cent. (or 60 per cent. of earnings) be carried to reserve. They have considered it good policy, too, at this stage of its career, to increase its capital stock by fifty per cent., or in the proportion of one share for every two shares held, and that at a premium of twenty-five per cent. As authority was given to your Executive Committee at the annual meeting of the Shareholders in 1905 to increase the Capital Stock to $1,000,000.00, of which total ten thousand shares of $50 each have been issued and paid for, it will not be necessary to take power from you as Shareholders to issue the additional five thousand shares. Your Directors, however, desire to have you endorse a course which is eminently, in the Company's interest, advisable to follow. The Company's earning power is capable of paying and maintaining, even under adverse circumstances, a nine per cent. dividend, and placing to reserve a substantial sum each year, notwithstanding the proposed increase of Capital, and your Directors heartily endorse this move. Assuming that the course appeals to you, the following figures will show the standing of the Capital Account and Reserve immediately after the proposed subscription has taken place:

Capital Stock, 15,000 shares of $50.00 each		$750,000.00
Reserve, as above	$262.500.00	
Premium of 25% on New Stock	62,500.00	
Total Reserve		$325.000.00

Your Directors beg to report the occupancy by the Company, of its own premises, formerly occupied by the Bank of Montreal, and which, with some alterations, have been admirably adapted to the requirements of our Head Office.

The Company's building at Saskatoon, a six-storey structure, chaste in design and substantial in construction, is all but completed, and on the ground floor of which the Saskatoon branch will be comfortably located. The rest of the building will be rented on a basis to yield the Company a handsome return on its expenditure.

It is but right to add, for your information, that our Winnipeg and Saskatoon buildings have been taken in at actual cost only, notwithstanding that in the former the Company could have realized on a bona fide offer a net profit of $50,000.00 on its original purchase. The site on which the Saskatoon building has been erected (and which, by profits realized from sale of old site, practically cost us nothing) is worth to-day not less than another $50,000.00. Neither of those sums appear in our Statement by way of write-up, your Directors preferring to ignore the profit.

Your Directors take pleasure in testifying to the loyalty of the staff of the head office and branches, to the painstaking care manifested by your Auditors, and to the general well-being of the Company.

J. T. GORDON, President.

FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 31ST, 1912.

LIABILITIES.

To Shareholders—				
CAPITAL ACCOUNT				
Capital Stock, subscribed and fully paid			$500,000.00	
Dividend No. 17, payable January 2, 1913			22,500.00	
			$522,500.00	
RESEREVE				
At credit December 31st, 1911	$200.000.00			
Transferred from Profit and Loss	62,500.00			
		262,500.00		
		$785,000.00		
PROFIT AND LOSS ACCOUNT		3,601.13		
			$788,601.13	
TO CLIENTS AND ESTATES				
TRUTS, ESTATES, GUARANTEED AND AGENCY ACCOUNTS, ESTATES AND TRUSTS			4,886,131.65	
Assets under Administration			3,909,848.97	
				$9,584,581.75

ASSETS·

CAPITAL ACCOUNT			
Mortgages on Real Estate, advances to Estates, etc.	$649,892.98		
Office Premises, Winnipeg and Saskatoon	138,708.15		
		$788,601.13	
TRUSTS, ESTATES, GUARANTEE AND AGENCY ACCOUNTS			
Mortgages on Real Estate and balances owing on Sale agreements, etc	$4,836,353.87		
Cash on hand and in Banks	49,777.78		
		$4,886,131.65	
ESTATES AND TRUSTS			
Unrealized Assets under Administration		3,909,848.97	
			$9,584,581.75
N.B.—The Company is also Trustee for Bond issues to the value of		$10,000,000.00	

PROFIT AND LOOSS ACCOUNT.

Balance, December 31st, 1911	$	3,618.71	
Net Profits for the year after deducting expense of Management, Directors' and Auditors' Fees, Commissions, etc		104,982.42	
			$108,601.13
Appropriated as follows—			
Dividends Nos. 16 and 17 at the rate of 8 and 9 per cent. per annum respectively	$	42,500.00	
Transferred to Reserve Fund		62,500.00	
Balance carried forward		3,601.13	
			$108,601.13

WM. HARVEY, Managing Director.

AUDITORS' CERTIFICATE.

Winnipeg, 22nd January, 1913.

I beg to report to the Shareholders of The Standard Trust Company that I have audited the books and accounts of the Company at Winnipeg and Saskatoon for the year ending December 31, 1912, and hereby certify that the above balance sheet is, in my opinion, properly drawn so as to exhibit a true and correct view of the Company's affairs as shown by the Books of the Company. All Loan Balances have been checked with the Mortgage Ledgers and the Mortgages securing such loans have, as in previous years, been duly inspected, while the Cash and Bank Balances have been verified by Certificates.

JOHN SCOTT, C.A.

The President, in moving the adoption of the report, said:—

"Gentlemen:—

"This is our first Annual Meeting in the new offices of The Standard Trust Company. I am pleased to see so many of our shareholders here to-day. I want, on behalf of our Managing Director and the other Directors, to welcome you to our new home, and I desire to say that if any of you have not already inspected the Offices we shall be very pleased to have you do so when this meeting adjourns. We are very proud of the new premises. The equipment is complete, and I think that probably there are few Trust Companies here more comfortable and more centrally located than The Standard Trusts Company, at the present time.

"Now, gentlemen, to-day I shall deal more particularly with the Directors' Report to the Shareholders. I am going to leave the financial side of the question, to a very great extent, to our Vice-President, Sir William Whyte, who is Chairman of our Executive Committee, and probably more familiar with the financial side of the Company than any other member of the Directorate outside of the Managing Director himself.

"In the first place, I wish to make some reference to the Winnipeg Office, as well as to the Saskatoon and Edmonton Offices. Some two years ago, your Managing Director strongly recommended to the Board of Directors the purchase of our present Winnipeg site. After looking into the matter carefully, we decided that the recommendation was a good one, and we purchased the property, but we did not occupy it until October of the past year, owing to the Bank of Montreal requiring the premises up till about that time. I am satisfied that the Shareholders will bear me out in what I say that the investment is a splendid one. The property as it stands to-day, including our improvements, cost us $145,000. We have fully rented the two upper floors profitably, and therefore, we are able to occupy the ground floor space at a very reasonable rental indeed. You will note that the building and site were taken in at actual cost. If the Shareholders wished to-day to dispose of the property they would have no difficulty at all in selling it at, at least, one-third over that cost. Consequently I am sure the Shareholders will bear me out when I say that the investment is one in the interests of the Standard Trusts Company.

"During the past year, we let the contract for our new building in Saskatoon, in the Province of Saskatchewan. I presume the Shareholders are aware that we are the Official Administrators for the three Judicial Districts tributary to Saskatoon. The building, when completed, will cost in the neighborhood of $90,000. It is a most magnificent structure, and one, I am sure, that any of the shareholders will be proud of when they visit Saskatoon. The first storey is of stone, after that it is of brick, with stone facing on the sixth or top storey. The building is fire-proof and modern in every respect. We went thoroughly into the cost of the building and the revenue that would be derived from it. We estimated the rental value at 50c a square foot less than what we were told we would be able to get for it, and it will net us about 7 per cent. upon the money invested, and give us the ground floor free for The Standard Trusts Company. I am sure, gentlemen, that you will approve of the Company's action in that respect.

"I want to say further, gentlemen, that we are particularly fortunate in the selection of our Manager at Saskatoon. Our business has grown wonderfully. We have got a capable, energetic young man, who has the confidence of the people there. Saskatoon has grown wonderfully since we opened up that Branch. I predict a splendid future for the Saskatoon office under the able manager of Mr. T. F. Calder, our Manager there.

"In the past year, we have appointed a Manager at Edmonton, in the Province of Alberta, and I want to say to the Shareholders to-day that our Managing Director and the Board of Directors have been very much pleased indeed with our appointment, in the person of Mr. H. R. Holland. He is a young man, of splendid ability, or, as you business men would say, he is, like our Saskatoon Manager, a good "mixer." It is not an unusual thing for a Trust Company to call upon its capital to pay expenses, for the first year, of a new Branch Office, but I am pleased to say that Mr. Holland has, in the past year, so satisfactorily transacted the affairs of The Standard Trusts Company at Edmonton, that he had a little on the right side after paying all legitimate expenses. So you will see, gentlemen, that as far as Edmonton is concerned we have a splendid future there also. The success of the Company depends a good deal upon the management. We are very fortunate in the selection of our management, and as a result The Standard Trusts Company has no difficulty whatever in forging ahead. So far, therefore, as the business from our Branch Offices is concerned, the stockholders may well feel satisfied it is in good hands, and I predict that for the year 1913 those two Branch Offices will do even better than they have done in the year just closed.

"Now, probably it is quite in order that I should refer briefly to the conditions under which we have been carrying on our operations during the past year. The Shareholders will all agree with me that in no year in the history of this Dominion of ours have we been more prosperous than in 1912. We have had prosperity from the Atlantic to the Pacific, and with the expansion and development that are taking place, the majority of us find it difficult to procure sufficient funds to carry on our individual business. The development is greater than the money at our command. Western Canada has prospered wonderfully, and in the three prairie provinces in which we are operating, there does not seem to be a cloud on the horizon for the year we have just entered into. That being the case, the Shareholders of this Company will expect us to bring in another splendid report at the end of 1913. I am satisfied that you will endorse the statement that we have laid before you to-day as being a credit to any company, and a credit to our Managing Director and those who have tried to look after your interests in the year just passed.

"We have carried to reserve this year 60 per cent. of the net profits for the year. Our surplus to-day is $262,500.

"I think, gentlemen, we have taken pretty good care of our Shareholders in the years that have passed. We paid you 9 per cent. last year, and we carried $62,500 to rest. We have paid 8 per cent.; we have paid you 7 per cent., and we have paid you 6 per cent. at various periods. The dividend rate has been growing gradually since the inception of the Company. The growth of The Standard Trusts Company has been a healthy growth from the beginning up to the present time, and I do not see any reason why it should not continue.

"We have earned on the money that you have entrusted us with, in the past year, 21 per cent. This seems to me to be a splendid return for the Shareholders, and I do not know of anything else, gentlemen, that you could put your money into that is as safe or that you could get better return on. The Managing Director and the Directors of The Standard Trusts Company have tried to take the best of care of the funds you have entrusted them with, and I do not think I am saying too much when I say that they have, in every respect, succeeded.

"Now, gentlemen, I wish to deal with that portion of the Report of the Directors to the Shareholders that refers to the issue of new stock. You will notice there, that in 1905, at a Meeting held in this city, you authorized the Directors to increase the Capital Stock of the Company from $500,000 to $1,000,000, and it was expected by some of you that when the surplus reached 50 per cent. of the paid-up capital sum, the Company would probably go on a 10 per cent. dividend basis. There has been some reference in the past as to the amount of capital paid up, of The Standard Trusts Company, not by people who are in the Company, or people who are in the Province, but by outsiders. I presume the Shareholders are aware that we get a large amount of money for investment from the old land, and other parts of Europe, and even Australia, and we felt that it was in the interests of The Standard Trusts Company that, when we were in a position to do so, we should ask the Shareholders to subscribe $250,000 more, which would bring up our paid-up capital to $750,000. Now this seems to me to be a reasonable suggestion, and, if acted upon, a wise action, because we are in that position to-day that we can just as well have $750 000 paid up as $500,000, and it makes us stronger in the eyes of the outside world. We can, without effort, increase our capital to $750,000, still pay you 9 per cent. thereon, and increase our reserve considerably in the year which we have now entered upon.

"I want to say further, that the Board of Directors and the Managing Director felt that the men who put their money into The Standard Trusts Company in the beginning are the men who should have consideration shown them when there is a division of the new stock. When the proposal was first mooted, the question was asked by one of the Directors: 'How are you going to have this call paid?' As you know, for some people—— and, in fact, for nearly all of us—money is not so easy to get to-day as it has been at other times. We decided that the Shareholders should have, at least, four months to buy in their shares in the proportion of one share for every two shares already held. I think the Shareholders will agree with me that this course is a reasonable and a fair one, and I fail to see where there could be any criticism on that score, and you will also agree with me that for every two shares that the Shareholder now hold, the allotment of one share of new stock is quite reasonable. We have gone further. If we had put our stock on the market, what would have been the result? We would have got at least $175, ex rights for two shares of $50 each, but we are giving it to the original Shareholders for $125. The Stock was quoted on the Exchange a few days ago, at 200, and it is almost impossible to get a share. I think that the shares of The Standard Trusts Company, knowing as I do, how conservative the annual statements are, are too cheap at 200. I would not let any share of mine be sold, even at that figure.

"You as Shareholders gave us this power to increase capital, and we come to you to-day to ask you to endorse our action. We believe we have done it in your best interests, and if you will scrutinize the statement in the Report of the Directors to you, you will find that, when the subscription of $250,000 is paid in, plus the premium on it, we will have $312,500 of new money for further development.

"I have made the statement before on previous occasions (and I think I had better be a little more severe still on our Managing Director) that the following year would show up even better than the just ended. Every year he has said I was too optimistic altogether. I want to say to you to-day, gentlemen, that with this extra $312,500, it will just take $50,000 more when this capital is paid in, to have 50 per cent. of the paid-up capital in reserve. I am not going to say that we will pay 9 per cent. on the additional $250,000 and carry $50,000 to rest, but I know it will be pretty close on it.

"Now, gentlemen, I do not know that I have very much more to say to-day. The business of The Standard Trusts Company has been harmoniously conducted in the past year. The Board of Directors and the Managing Director have all had the usual crop of business problems to solve, but all have been loyal and faithful on all occasions in the discharge of their duties. I want to say on behalf of the Managing Director, as I have often before said, that The Standard Trusts Company has been particularly fortunate in having Mr. Harvey as its manager. There has been a continual growth right along. Our Secretary-Treasurer, Mr. Lugsdin, and the other members of the staff have only one object in view, and that is, the best interests of The Standard Trusts Company. Mr. Harvey has loyalty not only in the Head Office, but in the Branches, and loyalty means strength. The surroundings here are most satisfactory. Our offices are well lighted, well ventilated and well located, while the vault accommodation is ample for some years to come. Consequently. I do not see any reason why the Shareholders of The Standard Trusts Company cannot look forward to the year 1913 with confidence and hope and expect splendid results at our next Annual Meeting.

"I would like to add further, gentlemen (and I always take pleasure in referring to it) that another year has passed and the Board of Directors and the staff are without vacancy by death. These are things that I am sure, every one of us feels grateful for. I know I am, myself.

The Vice-President, Sir William Whyte, will now deal more particularly with the financial side, and in conclusion, I want to thank you gentlemen for your attention. I have great pleasure in moving the adoption of the report."

The Vice-President, Sir William Whyte, in seconding the motion for the adoption of the Report, said:—

"Mr. Chairman and Gentlemen,—

"The President has, in his address, dealt fully, clearly and capably with the Annual Report, and it is a great pleasure to be allowed to say something regarding the financial statement. I have had some facts and figures

and, with your permission, I will give you the benefit of them.

"The Company has always managed to keep its funds profitably employed and last year was no exception to the rule, despite the fact that a considerable amount of capital was locked up in connection with the purchase of the Winnipeg Office premises and the erection of our building at Saskatoon. The interest earnings for the year were exceptionally good, 21 per cent. The investment feature of the business was even more active than usual during the year 1912. During the twelve months we loaned $1,662,275.00 and we received for investment from various sources $1,200,000.00. As a result of the large amount of new loans made, the Executive Committee have been kept busy passing upon them, but the usual care has been exercised and only business of the highest class has been accepted either for capital funds or for trust funds. The percentage loaned to the value of security rarely exceeds 35 per cent. The statement gives figures showing the volume of the investment end of our business, the total amount of our investments being now $5,500,000. A further indication of the extent to which our investment business has grown may be gleaned from the fact that the collections during the last twelve months total $1,050,000.00, of which $289,500.00 represents interest and $760,500.00 principal repayments.

While the year has been a very active one on the investment side of the business, the estate side has been no less active. Since the inception of the Company, less than ten years ago, we have taken in for administration over six hundred estates varying each in value from a few hundred dollars to over a million dollars. The value of the estates still in hand, in course of adminstration, is nearly $4,000,000. Of course, during the earlier years of the Company's history only a small proportion of these estates were taken in. The older and larger the Company grows, the greater are the number and volume of estates turned over to us for administration. The large experience which our Officers have gained from handling such a large amount of estate business is a very valuable asset and should be a strong incentive for the appointment of the Company as the Executor of wills. It is interesting to note the net earnings of the Company for each year since its inception and the growth of the reserve fund during that period. The following are the figures:

just as marked an advance in the future as in the past.

"I am sure you are all pleased with our headquarters here. The President has explained to you how the purchase was made, and how much was paid for it, and that we could make 33 per cent. on the investment if we chose to sell; but I am sure that no Shareholder would be disposed to sell, even with a large amount of profit. I am not a real estate speculator, or a dealer in real estate, but I am quite satisfied in my own mind that the present price is not the highest price this property will be.

The President has also explained to you our venture in securing a site in Saskatoon, out of the profits that we made on a former investment. We have in that building a magnificent advertisement for The Standard Trusts Company, and when it is borne in mind, as the President explained to you, that we have several Judicial Districts in the Province of Saskatchewan, in which we act as administrators, and of which Saskatoon is the centre, it must be very satisfactory to the governing powers, that is, the Legislature of the Province of Saskatchewan, that the Company is performing its duties well, and these are all things that tend to make, and to draw, business to The Standard Trusts Company.

"I have very much pleasure in seconding the motion for the adoption of the Annual Report."

"The motion for the adoption of the Report was then put and carried unanimously some of the Stockholders having first expressed their appreciation of the conduct of the Company's affairs.

"It was moved by Mr. Stovel, and seconded by Mr. Schofield, that Mr. John Scott, C.A., be re-appointed Auditor of the Company for the ensuing year, his remuneration for the past year to be left in the hands of the Executive Committee.—Carried.

"On the motion of Mr. Matheson, seconded by Mr. Atchison, the thanks of the meeting were tendered to the President, Vice-President and Directors, for their painstaking services during the past year.

"On the motion of Mr. Mullins, seconded by Mr. Mansur, a similar vote of thanks was conveyed to the Managing Director, Secretary-Treasurer, Branch Managers and Staff.

"Both motions were duly acknowledged.

1903—Net earnings,	$ 1,856.87			
1904—Net earnings,	5,954.36	of which	$ 4,000	was placed to reserve
1905—Net earnings,	15,794.25	of which	8,500	was placed to reserve
1906—Net earnings,	20,900.94	of which	12,500	was placed to reserve
1907—Net earnings,	25,419.41	of which	15,000	was placed to reserve
1908—Net earnings,	33,991.79	of which	20,000	was placed to reserve
1909—Net earnings,	49,721.93	of which	30,000	was placed to reserve
1910—Net earnings,	76,319.72	of which	50,000	was placed to reserve
1911—Net earnings,	100,051.30	of which	60,000	was placed to reserve
1912—Net earnings,	104,982.42	of which	62,500	was placed to reserve

The Paid-up Capital for the corresponding period is as follows:—

1903	$ 52,762.50
1904	57,162.50
1905	138,886.07
1906	159,069.15
1907	172,174.11
1908	213,033.02
1909	300,000.00
1910	500,000.00
1911	500,000.00
1912	500,000.00
Present proposed increase, ($250,000)	750,000.00

"I have very much pleasure in emphasizing some of the statements made by the President regarding the success and prosperity of The Standard Trusts Company, and I have every reason to believe that the success and prosperity that have attended The Standard Trusts Company in the past will continue in the future.

"As the President has explained, the whole of Canada is undergoing a most rapid development, and that applies with special force, I think, to the three prairie provinces, in which this Company is doing a large volume of business. While this continues, money will always yield us good rates of interest, and, with the able, energetic and prudent management of The Standard Trusts Company, there is no reason whatever to doubt but that the success of this Company will continue with

"The election of Directors was then proceeded with, and, on motion of Mr. Pulford, seconded by Mr. Schofield, the Scrutineers cast a ballot electing the following gentlemen Directors for the ensuing year:—

"J. T. Gordon, Sir William Whyte, K.B., Wm. Harvey, N. Bawlf, E. S. Popham, M.D., J. A. Girvin, G. F. Stephens, P. C. McIntyre, M. Bull, R. J. Blanchard, M.D., John Persse, C. C. Castle, A. M. Fraser, K. Mackenzie, and Wm. Georgeson.

"At a subsequent meeting of the Board held immediately after the General Meeting, Mr. J. T. Gordon was re-elected President; Sir William Whyte and Mr. Harvey, Vice-Presidents, and the Executive Committee composed of Sir Wm. Whyte, Messrs. Gordon, Harvey, Bawlf, Girvin and Dr. Popham, were re-elected with Sir William Whyte as chairman."

Quebec Light, Heat and Power in Politics

ASSAULT AND REBUTTAL—SIR RODOLPHE FORGET AND MR. LEMIEUX.

Upon a Motion for an Investigation Into the Quebec Merger Hon. Mr. Lemieux, M.P. for Rouville, Makes Serious Charges—Loss of 17,860,000 Francs by French Investors Alleged—Sir Rodolphe's Reply.

According to Mr. Lemieux, M.P. for Rouville, the Quebec Railway, Light, Heat and Power Co., or, as he refers to "the merger," should serve as a burning example of high and frenzied finance. Parts of Mr. Lemieux's speech in the Canadian House of Commons are reproduced for the benefit of the many investors in the "merger" who are readers of The Post. Referring to the loss of money by French investors, Mr. Lemieux, a few days ago, says: "The French financial papers have been stating freely that a loss of 17,860,000 francs has been incurred by the unfortunate French investors who have put their money into this undertaking. I state now what the financial papers in France have been repeating from week to week for many months; I am not myself taking the responsibility for these statements. The Quebec Railway, Light, Heat and Power Company, better known as the Quebec merger, was organized, I believe, in December, 1909. Its object was to absorb the several companies which had been engaged for some years in the exploitation of the various public utilities in Quebec, such as the tramway service in the city and suburbs, the light and heat service, and the generation of electrical energy in Quebec and its immediate vicinity.

These various companies were bonded to the extent of $3,959,000, and there was standing as common stock for these companies $4,612,500, making a total of $8,571,500.

Only a Holding Company.

The Quebec merger took hold of these various concerns, but did not absorb them, legally speaking; the Quebec merger being what is termed a holding company. However, the companies were floated at a capital in the neighborhood of $10,879,100, which was an inflation of $2,307,600 on the $8,571,500 which represented the bonds and common stock of the companies named. The issue for the Quebec merger was launched on the French market. Now, Mr. Speaker, I have at various times said in this House, notably at the end of last session, that if we cannot expect large immigration from France because the French people do not emigrate, or, if they do, they emigrate to Argentine or some of the Southern countries, we can at least expect from France, which has been called the banker of bankers, a large amount of capital for the promotion of Canadian undertakings.

French Capital for Canada.

There is an enormous amount of money in that French reservoir, and, provided the schemes are legitimate, provided honesty is at the basis of each enterprise, we can expect to have the good will of the French financiers and their participation in Canadian development. Not long ago one of the most distinguished statesmen in France, Mr. Gabriel Hanotaux, who for many years—no, not for many years, but for many months, because the Ministries do not last long in France—was Minister in the Government of France, speaking at a dinner of the Comite-France-Amerique, said: 'As regards the financial arrangement of France towards Canada, give us the maximum security and you will receive in return the maximum of confidence on our part.'

The Quebec merger was launched on the French market, and various subsidiary enterprises were also launched, all under the auspices of the Quebec merger. There was not only the Quebec merger proper, but there were various enterprises launched under its auspices, such as the Quebec and Saguenay Railway, the Quebec and Eastern Railway, to mention only two of the issues which were taken up fortunately by the French investors. The result has been simply appalling; the name of Canada has been besmirched in France, and it will take years and years before the good name and reputation of the Dominion stands as high among the financial men of France as it should stand in the eyes of the financiers of all countries. The French Government has ordered an investigation, but before I reach that point, let me say that the French bondholders—they bought the bonds of the Quebec merger to the extent of 17,860,000 francs on false representations made in the various prospectuses for the different enterprises that were launched—these innocent victims, formed what I might call a vigilance committee, and they sent here one of the most experienced engineers, Mr. Paul Gaudin, who came to Canada last year and made a lengthy report to the bondholders on his return to France. I cannot read the whole of that report, because it is too long, and I cannot even analyze it, because it is too complicated. I believe, knowing as I do, the honesty of purpose of the Prime Minister, that he will conclude that justice can be rendered only after the fullest investigation by a special committee of this House has been had. In my opinion, special accountants and special auditors should take hold of the whole matter and report to the Government.

Mr. Gaudin, in his report, condemns a series of works which was undertaken by the board of administration which controlled the Quebec merger. He says that this series of works was partly undertaken during the last Dominion elections, and he condemns the works as being utterly futile, to use his own words. Besides that, he condemns a series of private speculations which took place out of the money of the unfortunate French bondholders. He says that dividends were declared which were not justified, as is clearly established in his report. He also arraigns the Quebec merger, which originally was simply a tramway company exploiting the public utilities of Quebec, for having extended its field of operation to the River Saguenay to the lake St. John district, by the construction of the Quebec and Saguenay Railway, which had nothing to do with the Quebec anl Eastern Railway and of the Quebec-Saguenay.

The French National Association.

Engineer Gaudin made his report on the 26th of August, 1912. The bondholders decided to refer the whole matter to an organization which exists in every European country, the National Association for the Protection of French Investors in Foreign Securities. This association has an international character; it works at times conjointly with a similar organization in Germany and with a similar organization in Great Britain; it is organized with the object of protecting the French investors, the

(Continued on page 24)

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By Order of the Board,
JAMES MASON,
General Manager.
Toronto, 23rd January, 1913.

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A Comparative Statement

The Government report on the business of the Sterling Bank for the last five months denotes the steady growth of the institution—due to conservative management.

Month Ending	Deposits.	Assets.
June 29th	$5,175,790 73	$7,845,548 46
July 31st	$5,440,050 27	$7,993,844 28
August 31st	$5,485,870 14	$8,142,316 07
September 30th	$5,805,629 79	$8,527,296 72
October 31st	$6,267,376 89	$9,105,889 57

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INCORPORATED 1832

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RESERVE, - - - -	8,728,146
TOTAL ASSETS, - - -	71,279,298

HEAD OFFICE, HALIFAX.

BOARD OF DIRECTORS:

John Y. Payzant, President; Chas. Archibald, Vice-President; G. S. Campbell; N. Curry; Hector McInnes; J. H. Plummer; J. Walter Allison; R. E. Harris.

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H. A. Richardson, General Manager. D. Waters, Asst. General Manager.

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CANADA

AS A FIELD FOR THE INVESTMENT OF

BRITISH CAPITAL

London had, of course, placed very considerable sums of money in the Dominion for many years prior to last year, but those investments were all more or less of a gilt-edged and impersonal nature, and did not, therefore, create that great personal interest in Canadian development on the part of the investor that is so desirable.

Great Britain's attention, for Imperial, commercial and financial reasons, is now being turned towards Canada, the Second Partner in the great firm of the British Empire, and in the great work of directing attention and capital to Canada

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Quebec Heat, Light and Power in Politics

Continued from page 23.

British investors, the German investors against foreign schemes. This association would not take up a matter of that kind unless it were amply justified in doing so. On the 7th of December, 1912, a meeting was held in France at the Hotel Continental; 1,229 French bondholders who had been mulcted in this Quebec merger were represented. Mr. A. Machart, president of the National Association, made a lengthy report, from which I quote:

"The National Association will not fail to call the attention of the Canadian Government to the importance of the French interests involved in this transaction in case the bondholders will be compelled to ask its intervention."

Since this report has been published the French Government—a friendly Government—I may say, and even if it were not friendly it should be treated in a friendly way—has appointed two judges to investigate the various undertakings launched in the French financial market under the influence of the Quebec merger. I have at present nothing more to say, Mr. Speaker, and shall await the production of the correspondence and documents mentioned. In the interests not only of the investors who have lost money in these undertakings, but of the poor widows and orphans who met in September last asking the French Government to intervene, and requesting the French Ambassador in London to see that the proper authorities would take action, and for the sake of decency and the honor of Canada and the province of Quebec I sincerely trust that the Government will invesigate the whole matter.

Heavy French Losses.

I do not anticipate, Mr .Speaker, that Jacques Bonhomme—not John Bull — would be snared and entrapped by the sharks who went from Canada to Paris, and who have caused the French investors to lose the enormous sum of 17,-260,000 francs.

Unfortunately my tale of woe is not completed. The Quebec and Saguenay is a dear child—not of mine—but it has often filed an appearance in the House during the last few weeks. I have kept on putting questions to my genial friend, the Minister of Railways and Canals (Mr. Cochrane), asking him if he intended to guarantee the bonds of the Quebec and Saguenay Railway. My hon. friend, with his usual courtesy, has always answered that nothing had been done, until lately I was informed by him that a party of engineers had been sent on the uncompleted portion of the Quebec and Saguenay, and that an oral report had been made to him. I shall not anticipate what that report is, because I have a motion on the paper which will give the Minister an opportunity of filing that report, but I know that the gentlemen who are behind this Quebec and Saguenay are hard at work; they are surrounding my hon. friend, I shall not say day and night, but very late at night, in order to obtain that guarantee of bonds which, under present circumstances, would help them so much. I presume my hon. friend has resisted so far, although I am not sure. I hope he has resisted; I hope he will be moved by the spirit and will evict those who are trying to lead him into temptation. If, perchance, my hon. friend does not know the history of the Quebec and Saguenay, I shall try to educate him in that respect, and in that respect alone.

An Offshoot of the Merger.

The Quebec and Saguenay railway is an offshoot of the Quebec merger. The bonds of the Quebec and Saguenay were issued, of course, in France—too many people in Canada knew that the enterprise was risky, but with a brilliat prospectus and with what we call tour de passe-passe, or what you call in English, translating from the French,, léger de main, the Quebec and Saguenay became quite an important affair on the French market not so very long ago. It is, as stated, issued under the auspices of the Quebec merger—and remember that the Quebec merger is a little tramway in the city of Quebec and its suburbs. This line covers a distance of fifty six miles from St. Joachim to Murray Bay. Twenty-six thousand bonds were sold on the French market as part of the merger system itself. The French people, reading the prospectus, were led to believe that the bonds were guaranteed by the Quebec merger, a good enough enterprise by itself. According to the prospectus

(Continued on page 25.)

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Quebec Heat, Light and Power in Politics

(Continued from page 24.)

issued, the line is supposed to run from St. Joachim, in the county of Quebec, where, as in the county of Montmorency, during the last election there were long streamers with the words, Long Live the Quebec merger. It runs down from St. Joachim to Murray Bay, a distance of fifty-six and a half miles. The estimated cost, according to the prospectus, was to be $31,197 per mile, a very respectable cost as represented by the prospectus. As a matter of fact, the cost of the part of the road that has been built is $52,000 per mile and according to the very eminent engineer who was sent to Canada last summer to investigate quietly how the investments of the French people fared in Canada, it will cost in the neighbourhood of $62,000 per mile, so there is quite a margin between the figures advertised in the prospectus and the figures that somebody will have to pay in the long run. There were also other inaccuracies in that prospectus. By the way, I am not sure if on that prospectus the name of my hon. friend, my bosom friend the Postmaster General, appeared. It did appear, however, on the prospectus of the Quebec Eastern railway, did it not?

An Inaccurate Prospectus.

There were other inaccuracies in the prospectus. For instance, the French capitalists were told that this beautiful railway, started from Quebec and skirting the rugged coast of the county of Charlevoix, would reach the famous spot, Murray Bay, where President Taft had his summer residence and also ex-President Roosevelt. If there ever was a parting of the ways between truth and lies this is the case. I have been myself a summer resident at Murray Bay for many years. It is quite sure that Mr. Taft, before he was President, had a very modest villa on the coast of Murray Bay, but when this issue was placed on the French market, the villa had been sold, and Mr. Taft as President of the United States was living in that other villa, the White House at Washington. There were other inaccuracies. It was stated that the line was going to pay, and, according to the prospectus, the probable revenues were estimated at $482,350 a year. Now everybody knows and no one more than my hon. friend the Postmaster General, that the coast of Charlevoix county is practically a barren coast.

Small Traffic.

There is a very small population, and, except in summer, there are very few travelers, tourists at that, who do not travel on a railway, but desire to be away from railways.

The Pulp Traffic.

Then the receipts of the company were to be exceedingly large because of the important freight in pulpwood along the line. It was stated that 150,000 tons of pulpwood were to be carried by the railway. I was about to say shipped, because in another prospectus there was a contradiction. They put a lie on one prospectus and a lie on the other. In one prospectus the pulp company was described as being on the shore and in a position to ship by water the products of their industry, while in the other prospectus it was stated that 150,000 tons of pulp could be carried by the railway. The 150,000 tons were to be carried from the East Canada Pulp and Paper Company, from the Baylis Lumber Company, and from the Baie St. Paul Lumber Company. Now, let us see, Mr. Speaker, how far this prospectus represents the facts of the case. It was issued in 1911. The Baylis Lumber Company is still a name only; its mill is not yet built, but the prospectus stated that so many tons of pulp could be taken from that mill. The Baie St. Paul Lumber Company is a lumber concern, and not a pulp concern, while the East Canada Pulp and Paper Company is insolvent and in the hands of the receiver today. It was represented that the East Canada Pulp and Paper Company could give the railway something like 30,000 tons of pulp a year. Now, the mill at its utmost capacity could not give more than 14,000 tons of pulp. I know the facts, because, as I stated a moment ago, I have spent the summer at Murray bay for many years, and that fact is known by every business man in Quebec and below Quebec.

Well, what happened after the issue of the prospectus? It is quite true that once, twice, thrice and a fourth time dividends were paid, but as you will see, Mr. Speaker, in the report of Engineer Gaudin and in the report prepared by Mr. Michaud, the dividends were not justified; they were paid just to keep up the stock and the bonds on the financial market and to allow some very ingenious people to discharge their stocks and bonds on the unfortunate investors. I have stated that the Quebec and Saguenay Company was practically in the hands of a receiver. The line is not completed, and I not believe that half of the rails have been delivered.

The Money is Spent.

At all events, they have obtained $2,500,000 from the French people, the money has been spent, and the rails are not there. Part of the embankment has been graded, but instead of being started at Mile 30 in the county represented by my hon. friend the member for Montmagny, the road was started at the other end, in order to facilitate some private speculators, a proceeding that was very sternly denounced by the engineers who inspected the road. In round figures, $800,000 are due, a judgment was entered the other day in the court of Montreal for $381,000 and the balance is due, but at the request of the defendant's attorney, judgment was allowed to be postponed. As I have said, in round figures, there are $800,000 due by that company. The Quebec and Saguenay is an offshoot of the Quebec merger. The Quebec merger does not pay any more dividends; hard times have come. The promoters of the Quebec merger would be very pleased to unload this Quebec and Saguenay on the shoulders of the Government. That would perhaps give the Quebec merger a chance to pay dividends, to pay interest to the French bondholders and, therefore, as I stated at the beginning of my remarks, they have made a dead set on my hon. friend the Minister of Railways and Canals. They have surrounded him day and night and since the beginning of this session there have appeared in the financial columns of the Montreal and Toronto papers friendly notices announcing that—oh, the Quebec and Saguenay question will soon be settled; the Government has practically promised to guarantee the bonds of the company! If these bonds are guaranteed the people of Canada, the good people of the County of Grey, the good people represented by my hon. friend the Minister of Finance (Mr. White), the good people of the province of Ontario and of the provinces of the West, will pay for the liabilities of the sharks and the priests of high and frenzied finance in the cities of Quebec, Montreal and Toronto.

My right hon. friend the Prime Minister says he is not aware of the existence of such remonstrances on the part of French investors. Might I send him some of these papers. Even more than that Mr. Speaker, the papers of this country, friendly to the right hon. gentleman, have published time and again the facts which I have this afternoon apparently but only apparently, revealed to the right hon. gentleman. At all events, I accept the word of the right hon. gentleman but I hope that he and his colleague, the Minister of Railways and Canals will think twice before giving a guarantee of bonds to this fraudulent enterprise.

(Sir R. Forget's Reply on Page 12.)

The Case for the Banks by Major Currie

ONE OF THE FEW SPEECHES MADE IN REPLY TO ATTACKS.

Great Publicity Has Been Given to Onslaughts on Canadian Banks and Able Defences of Them Have Been Ignored—Some Facts Submitted Respecting Which the Public Are Not Widely Informed.

Throughout Canada the daily press has given considerable attention to the attack that has been made upon he Canadian Banking System in the House of Commons, but has to some extent ignored the defence that has been offered.

Major Currie, of North Simcoe, made one of the best speeches during the debate, parts of which deserve presentation here. In speaking of the ownership of the banks he said

Not Owned By Millionaires.

One would imagine from the discussion that the banks were huge institutions owned by millionaires. The return as published by this Government every year shows the lists of the shareholders of the various banks, and if we examine those lists we find that virtually the majority of the shares of the Banks of Canada are held by women and for estates—that is to say for widows and orphans, and that the men who are amongst the wealthy in this country very seldom hold large amounts of bank stocks. If the banks are as those returns show then the banks are, in every sense of the word, the people of Canada. The banks do not represent the interests of any single individual or any single money power.

Lock, Stock and Barrel Abolitionists.

Replying to the attack of those who propose to abolish the present banking system, lock stock and barrel, Mr. Currie said, "We have erected a banking system that serves the whole country that has an elastic currency, that supplies all the money necessary for all the opperations of the country, and which is not lacking in any essential except some petty detail such as the matter of inspection, or of the amount that should be paid as interest, to the depositors or charged to the customers of a bank. I therefore say that when we undertake to discuss our banking system in this House, we should do so with deliberation and calmness, and without belittling the ship that has carried us safely through so many storms. Credit is a very timid thing. It is true, I believe that in view of Canada's present prosperous position we do not receive the amount of foreign money we should, but, I warn the hon. gentlemen, that credit will take to itself wings the moment any criticism is levelled against it, especially so far as banking is concerned."

The Savings Depositor.

Mr. Currie had considerable to say in reply to the proposal to give the depositor greater protection. He said, "Let me discuss for a few moments the question whether we should have a higher rate of interest. Some claim that we ought to pay more than three per cent. in our Government savings banks, and others claim that we ought to fix by statute the interest that should be charged. These questions have long absorbed the attention of parliaments. In the reign of Queen Anne, the amount of interest that could be charged was limited to five per cent. and as late as 1854, experience had taught the people of England that to fix a rate of interest of any kind by statute was a useless and dangerous experiment. All the experience of the past goes to teach us that it would be unwise for this Parliament to fix a rate of interest as some have contended for. The interest to be payable on deposits is fixed by the post office savings bank at three per cent., and if we increase that interest rate the banks will also have to increase the interest rate in order to attract money to their vaults. I claim, Sir, that there is ample protection afforded in Canada for the small depositor, because the small depositor can go to the post office savings bank and he can get his three per cent. interest there, just as he can from any of the chartered banks. As a matter of fact, there are to-day millions of dollars deposited in these post office savings banks, the fact being that the amount to the credit of each individual depositor in Canada is greater than that to the credit of any individual depositor in any country in the world. I may mention that the average rate paid on deposits in England is 2.05 per cent.

Banks That Pay No Interest On Deposits.

"The Bank of England pays no interest on any deposit and neither does the Bank of France. In face of these facts, would it not seem foolish for us to endeavour to fix by statute a rate of interest for depositors. I think it will strike most members of this House as a common-sense view when I say that so far as the duty of this Parliament is concerned to provide a safeguard for the money of the smaller depositor, we have done so by establishing the post office savings bank system which gives absolute guarantee.

Profits From Circulation.

"A great many fallacious notions have been expressed during this discussion; for instance, some hon. gentlemen seem to think that the currency is a very large source of revenue to the bank. In the United States the banks deposit bonds with the government, and these bonds ear interest at the rate of five or six per cent., the banks deriving interest

Continued on page 28.)

FINANCIAL STATEMENT

OF

The Real Estate Loan Company of Canada, (Limited)

FOR THE YEAR ENDING, 31st DECEMBER, 1912

ASSETS.

Loans on Mortgage	$1,236,667 63	
Loans on Stock	12,876 40	
Municipal Debentures owned	22,448 97	
		$1,271,993 00
Due by Bankers		33,556 50
		$1,305,549 50

LIABILITIES.

To Shareholders—		
Capital Stock Fully Paid.......		$ 500,000 00
Reserve including—		
Rest	$150,000 00	
Contingent Fund.	10,000 00	
		160,000 00
Dividends unclaimed		303 20
Dividend No. 52 payable 2nd January, 1913		17,484 17
Profit and Loss		3,435 37
To the Public—		
Open Accounts	$ 357 33	
Currency, Debentures and Interest, Accruel thereon	39,312 57	
Sterling Debentures and Interest Accrued thereon	584,756 86	
		624,426 76
		$1,305,549 50

Dr. PROFIT AND LOSS Cr.

To Interest paid and accrued on money borrowed	$25,225 70
To Cost of Management	9,776 18
" Expenses of money borrowed....	3,119 25
" Dividends 51 and 52	32,441 69
" Taxes and Registrations	858 71
" Transferred to Rest	16,000 00
Balance at Credit	3,435 37
	$90,856 90

By balance on 31st Dec., 1911	$1,350 50	
Less vote at Annual Meeting to President and Vice-President	1,200 00	
		$ 150 50
"Income from Interest on Investments		90,706 40
		$90,856 90

E. L. MORTON, *Manager.*

We have audited the Books and Accounts of the Real Estate Loan Company of Canada, Limited, together with the Vouchers and Securities relating thereto. We hereby certify that the above Statement is a correct exhibit of the affairs of the Company as on 31st December, 1912.

Toronto, 16th January, 1913. S. W. BLACK, H. D. LOCKHART-GORDON, F.C.A., Can. *Auditors.*

The Monarch Life Assurance Company

HEAD OFFICE - - WINNIPEG

FINANCIAL STATEMENT. SUMMARY Re YEAR ENDING DECEMBER 31, 1912

ASSETS.

Mortgage Loans	$288,071.18	
Bonds and Debentures	54,575.55	
Policy Loans	8,002.37	
Cash in banks and on hand as at Dec. 31st, 1912..........	4,094.85	
Total Ledger Assets		$354,743.95
Outstanding and Deferred Premiums (full Reserve included in Liabilities), less Agents' Commissions	$ 82,118.83	
Interest due and accrued	16,496.28	
Office furniture and equipment (including Branch Offices)	4,527.89	
		103,143.00
		$457,886.95

LIABILITIES.

Reserve on Policies Om (5) 3½%		$237,753.00
Premiums and Interest paid in advance and in suspense...$	2,177.56	
Policy Claims awaiting proofs	3,072.45	
		5,250.01
Taxes due or accrued		836.80
Medical fees payable		1,292.00
Bank Overdraft re Investment Acct.		14,350.00
Capital Stock paid up		100,735.04
Total Liabilities		$360,216.85
Net Surplus—excess over and above Capital Stock paid up and all other liabilities		97,670.10
		$457,886.95

FIVE YEARS COMPARATIVE DEVELOPMENT

	1908.	1900.	1910.	1911.	1912.	Increase over 1911.
ASSURANCES in force	$1,334,000.00	$2,213,266.00	$3,009,746.00	$4,006,145.00	$5,519,348.00	38%
ASSURANCES issued	866,500.00	1,112,500.00	1,131,980.00	1,354,804.00	2,216,500.00	68%
POLICY CLAIMS reported	4,000.00	10,000.00	13,635.10	13,633.00	7,377.00	Decrease
ASSETS	183,560.69	254,152.18	302,497.15	362,431.73	457,886.95	26%
RESERVES	35,432.40	74,370.00	116,332.13	167,575.00	237,753.00	42%
CASH PREMIUM INCOME	33,964.33	55,001.48	75,294.85	97,461.48	122,343.31	25½%
NET SURPLUS	54,734.59	74,762.12	83,477.63	90,489.28	97,670.10	9%
AVERAGE RATE OF INTEREST earned on all investments	6.68%	7.08%	7.36%	7.75%	8+%	8%
Average rate of Interest earned on all investments by Canadian Companies	5.30%	5.41%	5.45%	5.5 %	(not available)	

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R. S. Fletcher, Superintendent of Western Agencies.

COMPLETE REPORT FURNISHED UPON REQUEST.

Farm Loans in Australia at Five Per Cent

SAVINGS OF THE PEOPLE UTILIZED FOR THAT PURPOSE.

In the Entire Commonwealth the Loans Made by the Government Aggregate Only $40,315,000—Less Than is Loaned by the Canada Permanent and the Canada Life—Two Private Corporations in Canada—On Mortgage Security—Limited Funds Available for Loans at Low Rates of Interest.

Of the amendments to the banking law of Canada before the House of Commons, none promised to provoke as much controversy as that relating to the lending of money on grain and cattle in the hands of the farmer, but it met with hearty concurrence from all sides. Ten years ago, no such proposal would have been entertained. The change in feeling may be attributed to a desire to aid the farmer.

The Saskatchewan government made a pre-election promise that an investigation would be made with a view to lending money on the security of land at lower rates. At present, nothing seems to have been done and according to the loan companies nothing is likely to be done towards carrying out the promise. Experts in the mortgage loan business in Canada believe that the provincial governments would have extreme difficulty in borrowing money in sufficient quantities and cheaply enough to make much difference in the market price of mortgage loans. The difficulties of administration, however, would constitute the greatest obstacle. In the West, where in many cases real property values are an uncertain quantity, the government would have a very shifting and uncertain basis to work upon. Company's can and do exercise a discrimination impossible in the case of a government. The party system is too deeply rooted to permit of the just and honest administration of anything so delicate as the distribution of credit. No such government could avoid a policy of favoritism and discrimination that would have the effect of disrupting the whole credit system of the locality. Finally no government would of its own accord assume the responsibilities entailed by such scheme as this. These are the arguments of the loan companies, and their officers believe government competitions would inevitably result in the gradual withdrawal, on the part of the loan companies from the affected districts. This in itself would constitute a great evil in the Western provinces where capital is so much in demand.

The Other Side of the Question.

However, the fact remains that the farmer in Western Canada is forced to pay an average of 8 per cent. for his money on a security that is generally speaking as good as any in the world.

The European Banks.

Face to face with this is the fact that in Germany, France and indeed almost any European country the farmer gets his money at half the price and in the Commonwealth of Australia he pays only a little more than half, at least for some of the money he borrows. The systems of land banks in Europe have been examined before in these columns in detail and the general conclusions from such an examination is that neither the French nor the German systems could be transplanted to Canadian soil. Both these systems depend largely upon the fact that the land has been tilled for a thousand years and its value known exactly. Secondly the party system of government means less there than it does here. Finally these banks are based upon the ideas that we have not as yet developed in this country—co-operation in the case of the German banks, and highly centralized government and finance in France.

The Australian Experiment.

The agricultural loan as it exists in the Commonwealth is of more interest. Each state in the Commonwealth has attacked the problem individually, although naturally the same ideas influenced all. However there are sufficient divergences to justify a fairly close examination of all of them.

New South Wales.

The original plan in New South Wales was instituted in 1899 by the Advance to Settlers Act which authorized the raising of a loan for the purpose of making temporary advances to incoming settlers. In 1906, however, the whole policy was changed by the Government Savings Bank Act. By this Act the Savings Bank Commissioners were empowered to make loans on a broader basis. An advance or loan Department was created in connection with the Savings Banks empowered to issue debentures to the extent of $10,000,000 at a rate not to exceed 4 per cent. These debentures are held in the savings department as security for deposits. The administration of the department is effected economically and cautiously. Loans must not be less than $250, and not more than $10,000. The application for loans of $2,500 or less receive priority. Loans are made in respect to first mortgages only and may vary from 50 to 65 per cent. of the borrower's interest in the security according to the lease or title. Advances are made for specific purposes, such as the buying of land and the putting up of buildings. At the end of the year 1910, $21,095,140 had been applied for and $8,085,960 loaned. The system in force in Victoria is almost identical to that in New South Wales. In both cases the interest charged is 5 per cent. and repayment is effected by means of 63 half-yearly payments. At June 30, 1911, the Victoria Savings Commissioners had loaned altogether $14,131,290 as against $31,897,225 applied for.

The Queensland System.

In Queensland no loan by the Agricultural Bank may exceed 10 shillings in the pound. The greatest loan to one man is $4,000 and priority is given to the applications under $1,000. For the first 5 years interest is paid at 5 per cent., and after that half-yearly payments are made on account of principal for 20 years. In South Australia, the maximum loan is $3,000. Repayment is accomplished in thirty years at most. In Western Australia the original loan on improvements may be to the full value of such improvements not exceeding $2,000 and a further loan may be had of $1,250 on further improvements to the extent of one-half their value.

Forty Millions in Such Loans.

The following table indicates the loan business done by the various state governments.

New South Wales	$ 8,085,960
Victoria	14,986,615
Queensland	1,534,720
South Australia	8,833,810
West Australia	7,701,405
Tasmania	73,050
Total for Commonwealth	$40,315,360

This total is small in comparison with the gross farm loans made in Western Canada alone. Over forty million is loaned by two Canadian corporations, the Canada Life and the Canada Permanent, a large proportion of which is on farms.

The details of administration are of less interest to the Canadian farmer than the general principles on which the scheme is worked.

Characteristics of the System.

The fact that up to June 30, 1911, some forty millions had been loaned to agricultural interests at a rate of interest never exceeding 5 per cent. is a result that makes the system instantly attractive. There are several features that appear in practically every state which may be considered as having been largely responsible for their success. In the first place there is evidenced an intention to assist the small man first. This general rule of giving priority to the small loans not only assists the man who is commencing operations but also has the effect of encouraging intensive cultivation.

Defaulting Borrowers.

The existence of a maximum amount beyond which one man cannot borrow reduces the risk from defaulters. However Neil Neilson, trade commissioner for New South Wales stated at the Lethbridge Dry Farming Congress that defaulters were a negligible quantity. It should be noted in this connection that a very large percentage indeed of applications are refused because of the nature of the security and because of limited funds to lend. These are exactly the conditions that the loan companies claim would prevent such a system being a success in this country. However the system is steadily advancing in Australia and the total loans up to June 30, 1911, showed an increase of 15 million dollars over June 30, 1908. This increase is at the rate of 5 millions a year.

The Government Savings Deposits.

The most important feature in connection with these loans is that they are made possible by the existence of flourishing savings banks which can loan a part of their deposits. Ever since the idea of the agricultural loan took root the policy of the government has been to encourage the savings depositor. The following table shows how the government savings bank have been developed and the relative unimportance of the Postal Savings and Dominion Savings Banks in Canada:

	Australia.	Canada.
1902	$165,142,145	$ 58,437,987
1903	169,551,890	60,771,129
1904	171,083,785	62,158,450
1905	178,117,325	62,017,457
1906	191,431,095	61,910,622
1907	210,491,445	62,541,812
1908	230,737,360	62,581,155
1909	245,389,695	59,938,920
1910	265,587,490	58,264,229
1911	296,968,410	58,094,331

The importance of this government depositor in state finance is only realized fully when it is remembered that the population of the Commonwealth is only a little more than half that of the Dominion. The table shows how rapidly these banks have been developed. In the nine-year period under consideration the Australian government succeeded in doubling the total deposits. In our own country during that period the government savings bank has been practically stagnant with a tendency to retrogress.

Interest is paid at various rates according to the size of the deposit at an average that is close to 3½ per cent. A checking system is permitted by which the small tradesman treats his deposit like a current account and is allowed interest on his minimum monthly balances.

The Chartered Banks.

The question immediately suggests itself as to how the chartered banks like this policy. As a matter of fact the total deposits in the chartered banks have grown from $465,000,000 to $705,000,000 during this period of nine years, a rate of increase not nearly so great as that of the government banks.

Deposits Per Capita.

For purposes of further comparison it may be noted that the average deposit per head of population in the chartered banks of Australia in 1911 amounted to $155 as compared with $120 in Canada. Similarly the government savings deposits in Australia amounted to $63.37, as compared with $8.20 in Canada.

These figures are almost startling and possibly in themselves indicate the fundamental difference between Canadian and Australian institutions. Only a few days ago a St. John paper found food for criticism in the fact that of the total Dominion Savings Bank deposits one-half belonged to St. John, an indication that St. John people were too conservative and while the people of the more Western Provinces invested their savings in more profitable undertakings the people of the Maritime provinces were satisfied with a meagre return and furthermore permitted their money to be thus used unprofitably where it might be used to assist in the development of the country. The spirit of individualism as opposed to government assistance is very strong in Canada and would be a difficulty in the way of government loans to agricultural interests.

SUN LIFE.

MONTREAL.—Final figures of the Sun Life Co.'s business for 1912 have now been made public. These show that cash income for 1912 was $1,775,746 greater than 1911, standing at $12,333,081. Total surplus for the year amounted to $1,305,983. Assurances issued and paid for in cash during 1912 amounted to $30,814,409, an increase of $4,377,628 over 1911; and business in force at December 31st last amounted to $182,732,420, an increase of $18,162,347 over last year.

The company's growth during the past forty years can best be judged from the fact that its income at the end of 1912 was $12,333,000, as compared with $3,500,000 in 1902, ten years ago. Its assets and assurance-in-force growth is thus shown:

Year	Assets	Life Assurances in force
1872	$ 96,461	$ 1,064,350
1892	3,403,700	23,901,047
1902	13,480,272	67,181,602
1912	49,605,616	182,732,420

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As is indicated by its title, the authority upon the financial question is:
THE FINANCIAL WORLD
LONDON
ESTABLISHED 1886.
WEEKLY. PRICE 6c.
(EDITED BY HERBERT J. STEPHENS.)
Subscription to Canada, $4 per annum, including postage.
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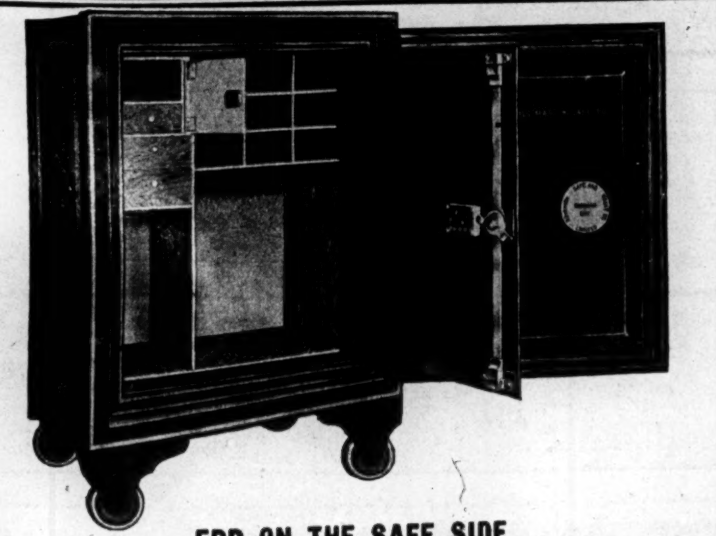

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London View of Canadian Finances

HOW CANADIAN ISSUES ARE RECEIVED BY BRITISHERS.

Steel Company Had Definite Intimation From Canadian Political Leaders That They Could Not Have Canada's Business Without Manufacturing in Canada—C. P. R.'s Austrian Line a Subject of Much Comment.

London, Jan. 25.—Canadian securities have been dull in tendency, with dealings on a very small scale. Canadian Pacifics, at one time good on German repurchases, have since collapsed on the latest Turkish complications and are lower on balance, with the "rights" quoted 18⅝. Grand Trunk Junior stocks are also slightly lower, and although the Trunk Pacific's first two weekly traffic returns have been received favorably, the scrip of the recent issue of Branch Lines debentures remains heavy at ⅝ discount. Canadian Northern new debentures are also a weak market at 3¾ discount. The provincial and municipal group of bonds and debentures show several declines, due to the continued stream of new issues. The City of Quebec's £400,000 4½ per cent. loan was exceptionally successful, and the scrip is now ¼ premium, but this has engendered a Quebec province £400,600 4½ per cent. issue at a higher price, with results yet to be disclosed. The existing provincial 4's have lost a point. Alberta's new 4 per cent. debentures issued at 97 remain 1¼ discount, British Columbia Electric 4¼ per cent. debentures, issued 98, ¼ premium, and Canada Southern Railway 5 per cent. bonds, offered 106¾, ⅜ premium. Toronto City is making arrangements for a £1,000,000 4 per cent. issue at 92½, and the Edmonton, Dunvegan and British Columbia Railway will be in the market next week with £700,000 1st mortgage 4 per cent. debentures at 92, with the Province of Alberta's guarantee. The volume of capital seeking employment is undoubtedly large, and no difficulty is likely to be experienced in placing really attractive new issues, but investors are certainly on the look out for securities offering special attractions either by way of high rates of interest, favorable redemption terms, or prospects of increased dividends in future years. It is evident that any decided rise in prices of existing securities is at present most improbable.

United States Steel in Canada.

The action of the United States Steel Corporation in deciding to erect works in Canada has naturally caused a good deal of discussion here. It is recalled that it is less than a dozen years since the iron making resources of the Dominion were described as inferior to those of the United States by the highest American authorities, and that, although the first blast furnace in Canada was blown in 1847, it was not until ten years ago that Canada began to show signs of developing into the great iron country that she is to-day. It is now generally recognized that the Dominion has prospects of establishing an industry second only to that of the United States. The United States Steel directors, although they decided some years back to establish works in Canada, and early in 1905 purchased the land that is now to be utilized for this purpose at Sandwich, have been long in moving. Yet Minnesota iron ore could have been smelted more economically at Sandwich than at Pittsburg.

A Definite Intimation.

There is no doubt that one reason why the Steel Trust has not proceeded with its original project earlier is on account of the definite intimation of Canadian political leaders that if it attempted to capture an export trade at the expense of British steel manufacturers and with the advantage of Canadian bounties, steps would be taken to frustrate any such a development. Mr. Farrell appears to have long recognized that while the Trust was waiting, the rapidly expanding works of the Canadian manufacturers were securing the Canadian market for themselves, and the trusts' directors as a whole now seem to realize that they must either employ capital and labor in Canada, or practically cease to take any profits whatever out of the Canadian market. One of the results of the new invasion should be to hurry up the settlement of the existing uncertainty regarding fiscal matters in connection with the Canadian steel industry that has prevailed since the bounties were discontinued, and which has been largely responsible for the hesitation with which investors here have regarded even the prior charge issues of the leading Canadian iron and steel producing companies.

Germany and the C. P. R.

Writing in October last, I stated when discussing the new Canadian Pacific cars, then being introduced on the Austrian Railways, that the company would doubtless enter the Mediterranean in competition with existing lines, having Trieste as a final port of call. Matters nave since developed, and next Wednesday leaders of the North Atlantic steamship interests meet in Berlin to finally decide whether the various lines are to remain in the so-called "pool," or whether there is to be a rate war, and what action is to be taken in connection with the determination of the Austrian Government to insist that the port of Trieste should get its fair share of Central European traffic, and not merely 4 per cent. allotted to it by rival German interests. The situation has been rendered acute by the grant of a concession by the Austrian Government to the Canadian Pacific for a new service between Trieste and Canada. When the latter first entered into steamship business on the Atlantic it was drawn into the so-called "pool," but after some years' experience showed signs that it greatly resented the German domination which prevails in this connection, and at the end of last year definitely intimated the rupture of its connection with the "pool." The railway company is thus in a position to enter Trieste and supply the Austrian Government with the steamship service which the rapid increase in trade between Austria and Canada during the last few years is sufficient to justify. The Canadian Pacific has undertaken not to carry on any emigration propaganda in Austria, and has also agreed to binding regulations which ensure ideal transporting conditions for emigrants. A considerable amount of American tourist traffic is expected to be directed by the C. P. R. to Austria. Hence the fury of the German lines and the retaliatory rate war directed against the Canadian Pacific.

NEW G. T. P. TOWNS.

During the coming spring and summer a large number of new towns will be placed on the map of Western Canada, along the line of the Grand Trunk Pacific Railway, and the townsites will be opened to the public by the Transcontinental Townsite Co., the official agents of the G. T. P. While many of these are still unnamed and by no means definitely located, over 40 have been finally decided on at present, and it is probable that all townsites on the company's existing lines will be located and named this year.

The new towns decided on are as follows:—

Main line. Willow River, which is already on the market, and two other unnamed towns to be situated, the one at the confluence of the Chilako and Nechaco Rivers and the other at the confluence of the Stuart and Nechaco Rivers. These are all in British Columbia.

Battleford-Cut Knife Branch. Prongua, 12 miles from Battleford; Gallivan, 25 miles; Normross, 33 miles.

Biggar-Calgary Branch. Springwater, 18 miles from Biggar; Ruthilda, 27 miles; Adino, 40; Dodsland, 47; Millerdale, 53; Beaufield, 60; Coleville, 67; Driver, 73; Smiley, 79; Dewar Lake, 86; Stratton, 91; Loverna, 104.

Regina-Boundary Branch. Codoux, 55 miles from Regina; Rainton, 62 miles; Brough, 73; Innes, 85; Huntoon, 91; Viewfield, 97; Hill Hall, 104; Sander, 109; Minard, 115; Breeze, 120; Steelman, 126; Deborah, 130; Esperanto, 142; Elcott, 151; Northgate, 156.

Moose Jaw-Northwest Branch. Archydal, 10 miles from Moose Jaw; Forgray, 16 miles; Rowletta, 22; Linstrom, 27; Esbank, 33; Darmody, 40; Mawer, 45.

Regina-Moose Jaw Branch. Keystone, 18 miles from Regina; Stony Beach, 23 miles.

Talmage-Weyburn Branch. Mansen, 7 miles from Talmage.

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The Case For The Banks

(Continued from page 25.)

from the bonds and also getting interest for loaning of the currency which they get from the country in return for these bonds. In 1883, there was an inquiry held in the United States into the earnings on the currency given the banks by the Government, and at the conclusion of that inquiry the Controller of Currency in the United States reported that the earnings of the banks on currency was only $46 on each $100,000 of currency. There is no reason to say that that is false. This inquiry was made with full knowledge that all the facts extended over a term of years, and shows distinctly that the currency of the banks is not such a large source of revenue as many people imagine.

Bank Earnings.

"We will come again to the question of earnings. The earnings of the Canadian banks have been referred to. From the statements that have been made here one would imagine this was the golden age for banks and banking in Canada. Hon. gentlemen in this House may be surprised to know that the dividends paid by Canadian banks are exceedingly modest; and that one of the chief reasons why English capitalists do not invest in banks in Canada, as was suggested by the hon. member for South York (Mr. Maclean), is that the English capitalists can get far more interest on the money they invest in the bank shares of their own country. I do not desire to exhaust the patience of the House beyond giving a few facts with reference to what the rate of dividend is in other countries as compared with Canada, so for as bank stocks are concerned. I will give the dividends paid by some of the foreign banks first.

Foreign Bank Dividends.

	Per cent.
Banco de Chille	18
La Plata	12
Bank of Australia	17
Bank of England	9
Bank of New Zealand	15
Bank of Scotland	19
Bank of Spain	19
Belfast Banking Co.	20
Ulster Bank	20
Allahabad Bank	18
Farmers' Bank, Guatemala	14
American Bank, Guatemala	28
London Bank of Mexico	12
Bank of Ecuador	16
Bak of Peru	14
Bank of Commercial San Paolo	18
Bank of America New York	28
Bank of Nassau	20
Bank d'Anvers, Antwerp	15
Bank of Commerce of Siberia	15
British Bank of South America	17
British Linen Bank	20
Capital and Counties	16
Chartered Bank of India and Australia	14
Clydesdale Bank	14
Commercial Bank of Scotland	20
Credit Lyonnais	12
Deutsche Bank	12½
Equitable Trust, N.Y.	21
Farmers' Loan & Trust Co., N.Y.	50
Guaranty Trust Co., N.Y.	40
Imperial Ottoman Bank	9
Lloyd's Bank	18⅛
London and Provincial	18
London and Southwestern	16
London City and Midland	18
London County and Westminster	21¼
Manchester and Liverpool	17½
National Bank of India	37
Bank of Scotland	20
Paris	21
Bank of Ireland	12½
Union Bank, Scotland	15
Yokomama Special Bank	12½

These are a few of the dividends paid by foreign banks. Let us see what dividends they pay in American banks.

American Bank Dividends.

	Per cent.
Bank of Albany	
Albany Mechanics' and Farmers' Bank	16
Albany National Com'cial Bank	16
Albany New York State National Bank	12
Allegheny Pennsylvania German National Bank	36
Allegheny Second National Bank	20
Baltimore Citizens' National Bank	20
Bank	20
Shawmut Bank, Boston	18
National Mechanics Bank of Baltimore	18
National Security Bank of Birmingham	12
Manufacturers' National Bank of Brooklyn	16
National City Bank of Brooklyn	14
Bank of Buffalo	12
The Marine Bank of Buffalo	12

(Continued on page 29.)

REGINA

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POPULATION 41,000

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Bank Clearings 1911	73,032,000
First four months 1912	32,863,642

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Reserve Fund	262,500.00
Total Assets, nearly	10,000,000.00

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Overlapping and Incomplete Statistical Information

DEPARTMENT COMMISSION REPORTS GRAVE SHORTCOMINGS.

Government Blue Books Do Not Present Complete Information Representing Canadian Affairs—Trade Statistics Defective—Insurance Records Take No Cognizance Of Provincial Companies.

Ottawa, Ont., February 5.—The report of a departmental commission appointed by Hon. George E. Foster to consider the question of improvements in the methods of collecting Canadian statistics was recently laid on the table of the house of commons. Not much attention was paid to the report by the daily press and it will probably go the way of too many reports and collect dust in a pigeon hole. The report is one worthy of serious consideration as the members of the commission devoted a great deal of time and thought to its preparations. The recommendations have been made only after the most careful study. At present several of the departments collect statistics, there is a great deal of over-lapping and there is no attempt at co-operation. All of the provinces also are more or less engaged in collecting statistics, and in many cases they needlessly duplicate work carried on by the Dominion. It was with a view to working out a plan of co-operation and collaboration that the commission was appointed. The members were Richard Grigg, Commissioner of Commerce; Prof. Adam Shortt, Civil Service Commissioner; Earnest Henry Godfrey of the Census asd Statistics Branch; W. A. Warne, statistical branch Trade and Commerce Department; R. H. Coats of the Department of Labor and J. R. K. Bristol, of the Department of Customs.

The Recommendations.

Briefly stated the recommendations of the commission are as follows:

1. The organization of a Central Statistics office for the co-ordination and general improvement of statistics involving:

(a) The creation of a Dominion departmental statistical committee.

(b) The creation of an Interprovincial conference on statistics.

2. The following reforms in existing statistics:

(a) The taking of a quinquennial census and the limitation of the field of the census proper to the enumeration of population and poverty, with a thorough re-examination of the methods at present in use in collecting and compiling data and in publishing results.

(b) The institution of an annual census of production, embracing the chief products of agriculture, forestry, fisheries, mining and manufactures.

(c) The co-ordination of the work of the statistical branches of the Department of Customs, and Trade and Commerce with improvements in the classification scheme and in other details.

(d) The re-organization of canal statistics. The creation of statistics of coastal trade.

(e) The creation of wages and consumption statistics.

(f) The perfecting of methods of recording emigration departures.

(g) Improvements is the statistics of insurance and the development of price statistics.

(h) The enlargement of the Canada Year Book. The co-ordination of other publications.

Criticisms of Present Methods.

These are the main recommendations and if followed they would mean a complete re-orgaization of the present methods.

There is considerable criticism—gentle of course—of the present methods of collecting agriculture statistics, and the commissioners doubt the reliability of the estimates of crop areas, farm animals, etc. They suggest that the Dominion and provincial governments co-operate more closely and state that they have found the western governments particularly willing to act in conjunction with the Dominion. They recommend that the Dominion and the provincial authorities arrange to cooperate in securing a comprehensive and accurate statement at a given date of the principal field crops and the number of live stock, and also that there be collected from reliable sources the market prices of agricultural produce to be published regularly. The value of such information to the commercial and agricultural communities is undoubted.

The most interesting suggestions and recommendations are in regard to the collecting of trade and commercial statistics. The commission are of the opinion that manufacturing statistics should be collected at more frequent intervals, and suggest five years as more desirable for the adequate measurement of industrial progress.

Overlapping Frequent.

The commission points out that in collecting commercial information there is a great deal of overlapping at present between the trade and commerce and customs departments. They note:

"Two separate department organizations are engaged in very similar tasks, namely, that of furnishing information to the public on matters of trade both in form of general statistics, and in reply to specific inquiries addressed to the government. For example a merchant wishing to be informed as to either the internal or foreign trade of Canada, in certain articles may apply for information to two or more departments and receive an independent reply in each case. It will be seen that with no organized co-operation between these branches the work must sometimes lie along parallel lines. We are not aware of any other country where trade information is supplied to the public by more than one department."

At present there is a serious defect in foreign trade statistics—one which Canada shares with other countries namely that they do not show in all cases the country of first origin in these goods imported or of the country of final destination in the case of goods exported. Many discrepancies are pointed out and a number of recommendations are made.

Insurance Statistics.

On the question of insurance it is pointed out that the statistics are at present incomplete owing to the fast that no figures of provincial companies are kept. Ontario Quebec and Manitoba have insurance acts administered by insurance departments which have been in operation for some time and British Columbia and Saskatchewan have recently passed similar legislation.

Alberta And Dominion.

Alberta on the other hand, has passed an act which practically hands over the right of insurance legislation to the Dominion by refusing to allow any company to operate within the province except under a Dominion License. The three Maritime Provinces have no insurance acts, the general business of insurance being vested in each case with the Attorney-General and combined with general company administration. Ontario Quebec and Manitoba issue insurance reports, and it is to be presumed that the new departments of British Columbia and Saskatchewan will follow this example. In the Maritime Provinces insurance statistics are combined with those of other companies' operations.

Commenting on these facts the report says:

From the above it follows that the insurance statistics of Canada are incomplete and are incapable under existing conditions of being more than approximately estimated. The statistics issued by the Dominion Department cover only the operations of companies doing business under Dominion License. A large number of companies which operate under provincial license alone are not represented in these returns, the number amounting to over one hundred in the case of Ontario, this not being inclusive of friendly societies. Again, the statistics issued by the provinces are prepared from different schedules and do not always cover the same details. They are thus incapable of combination with the Dominion returns or with each other, with the result as stated above, that no comprehensive report on the insurance business of the Dominion is at present available, nor is the public readily able to compile such a report from the different documents now used.

The Dominion Insurance Department could, with some extra labor, request a return from the companies which are operating solely under provincial license, the return to be sought on the schedules used to collect information as to Dominion companies. It is true that the Department has no statutory authority to demand such a return. By an addendum of this nature, however, to the Dominion report each year complete information concerning the insurance business of the country could be at any time available.

Madden—How much does he pay for his clothes?

Wilkins—About one instalment, I think.—Boston Globe.

THE CASE FOR THE BANKS.

(Continued from page 28.)

Columbia Bank of Buffalo......	15
Merchants National Bank of Chicago	15
First National Bank of Harrisburg	28
Merchants Bank of Los Angeles	16
Essex County Bank of Newark	16
Pittsburg Union National Bank	15
Portland First National Bank..	26
German-American of St. Louis ..	40
San Antonio National Bank	20
San Francisco Hong Kong and Shanghai Bank	30
Bank of California San Fran'sco	16
First National Bank of Scranton	16
Chatham National Bank, N.Y...	16
Chemical National Bank, N.Y. ..	106
Bank of America, N.Y.	26
Fifth Avenue Bank, N.Y.......	260
Bronx Bank, N.Y.	50
First National Bank, N.Y......	32
Garfield National Bank, N.Y....	12
Importers' and Traders' Bank N.Y.	20
New York County National Bank	40

Let us bear in mind that there are no double liabilities in the national banks of the United States. When we come to consider the ample returns on capital invested in these foreign banks and compare them with the meagre returns from the banks in this country, we are inclined to feel a trifle ashamed of our banks in spite of all the statements made by the hon. gentleman who has just sat down. I have here a statement of the dividends paid by the Canadian banks taken from the Canadian Year Book of 1911.

	Per cent.
Bank of British North America	7
Bank of Hamilton	11
Bank of New Brunswick	13
Bank of Nova Scotia	14
Bank of Montreal	10
Bank of Ottawa	11

(Continued on page 32.)

OCEAN FREIGHT LINE, LIMITED.

PUBLIC Notice is hereby given that the First Part of chapter 79 of the Revised Statutes of Canada, 1906, known as "The Companies Act," letters patent have been issued under the Seal of the Secretay of State of Canada, bearing date the 22nd day of January, 1913, incorporating Reginald Holland Parmenter, Arthur John Thomson, William Symon Morlock, and Norman Baillie Wormwith, solicitors, and Violet Moffat, accountant, all of the City of Toronto, in the Province of Ontario, for the following purposes, viz.:—(a) To build, equip, furnish, fit, purchase, take in exchange or otherwise acquire and hold ships and vessels or any shares or interests in ships or vessels and also shares, stock and securities of any companies possessed of or interested in any ships or vessels and to operate, maintain, repair, improve, alter, sell, exchange or let out to hire or charter or otherwise deal with and dispose of any ships, vessels or shares or securities aforesaid and to carry on all or any of the business of ship owners, ship brokers, managers of shipping property, freight contractors, carriers by land and sea, barge owners, lightermen, forwarding agents, warehousemen, wharfingers and general traders. (b) To lease or otherwise dispose of ship-building plants and construction plants of all sorts, marine railways, dry docks, wharves, docks, elevators, warehouses, storage houses, terminal properties, and facilities, waterways and rights, canals and properties of a similar nature, and to contribute to, subsidize or otherwise become interested in any such works, plants, properties, structures or operations; (c) To purchase, acquire and take over as a going concern or otherwise and carry on all or any part of the property or business of any person, firm or corporation possessed of property which can be used for any of the purposes of this company or carrying on any business which this company is authorized to carry in and as the consideration for the same to pay cash or to issue any shares, stocks, debentures or obligations of this company and in connection with any such transaction to undertake any liabilities relating relating to the business or property so acquired; (d) Notwithstanding the provisions of section 44 of the Companies Act, to purchase, take or acquire by original subscription or otherwise and to hold, sell or otherwise dispose of shares, stock, whether common or preferred, debentures, bonds and other obligations in any other company having objects similar in whole or in part to the objects of this company or carrying on any other obligations in any other company having objects similar in whole or in part to the objects of this company or carrying on any other business capable of being conducted so as directly or indirectly to benefit this company and to vote all shares so held through such agent or agents as the directors may appoint; (e) Generally to carry on and undertake any other business of the same general nature which may from time to time seem to the directors of this corporation capable of being conveniently carried on in connection with the above objects or calculated directly or indirectly to render valuable or enhance the value of any of the company's privileges or rights; (f) in furtherance and not in limitation of the objects and purposes hereinbefore stated: (1) in the course of its business to guarantee or assume the payment of principal, dividends or interest of or on any shares of stocks or notes, bonds or other securities of any other corporation, firm or individual, whose stock, business or property shall be acquired or controlled in whole or in part by this company, and to use its name credit for the benefit of said corporations, firms or individuals as may to the board of directors seem good; (2) To cause or allow the legal title, estate or interest in any property acquired, established or operated by the company to remain or be vested or registered in the name of, or operated by, any person, firm or foreign or domestic corporation formed or to be formed, and either upon trust for, or as agents or nominees of this company, or upon any other proper terms or conditions which the board of directors may consider for the benefit of this company, and, so far as pertinent to the property and purposes of this company, to manage the affairs or take over and carry on the business of such foreign or domestic corporations; (3) To lend its funds and make advances to any affiliated company, partnership, person or association upon the security of their or his undertaking, property, estate, assets and effects, or in any part thereof, upon such terms as the board of directors may deem expedient; (4) To pay the expenses of the formation, registration, and advertising of any company formed to purchase the whole or any part of the enterprise and property, rights and liabilities of this or any other similar company, and of the issue of the capital stock of such new company, including commissions for obtaining applications for or placing shares thereof; (5) To remunerate any person or persons or corporation for services rendered, or to be rendered, in placing or assisting to place or guaranteeing the placing of any of the shares of this or any other company's capital, or any debentures or other securities of this or any other company, or in or about the formation or promotion of this or any other company or of the conduct of its business; (6) To do any and all things set forth as its objects, as principal, agent, contractor or otherwise, to carry out all or any of the foregoing objects as principals, agents, contractors or otherwise, and by and through trustees, agents, sub-contractors or otherwise, and alone or jointly with any other corporation, association, firm or person, and in any part of the world, and to do all and everything necessary or incidental for the accomplishment of any of the purposes or the attainment of any one or more of the objects herein enumerated or incidental to the powers herein named, or which shall at any time be necessary or incidental for the protection or benefit of the corporation. The operations of the company to be carried on throughout the Dominion of Canada and elsewhere by the name of "Ocean Freight Line, Limited," with a capital stock of one hundred thousand dollars, divided into 1,000 shares of one hundred dollars each, and the chief place of business of the said company to be at the City of Toronto, in the Province of Ontario.

Dated at the office of the Secretary of State of Canada, this 24th day of January, 1913.

THOMAS MULVEY,
Under Secretary of State.

30-2

FINANCIAL STATEMENT

OF THE

Mutual Life of Canada

HEAD OFFICE - WATERLOO, ONTARIO

FOR THE YEAR ENDED 31st DECEMBER, 1912

CASH ACCOUNT

Income.

Net Ledger Assets, 31st December, 1911	$17,301,687 83
Premiums (Net)	2,692,199 27
Interest and Rent	1,007,311 31
Suspense Account, etc.	1,054 43
	$21,002,252 84

Disbursements.

Death Claims	$440,453 96	
Matured Endowments	335,867 00	
Surrendered Policies	212,530 57	
Surplus	277,631 29	
Annuities	9,403 62	
		$ 1,275,886 44
Expenses, Taxes, etc.		615,833 68
Balance Net Ledger Assets, 31st December, 1912		19,110,532 72
		$21,002,252 84

BALANCE SHEET

Assets.

Mortgages	$11,051,716 34
Debentures and Bonds	5,058,053 96
Loans on Policies	2,516,639 88
Premium Obligations	10,523 08
Real Estate	229,351 59
Cash in Banks	280,961 83
Cash at Head Office	2,151 01
Due and Deferred Premiums (net)	433,711 10
Interest due and accrued	488,236 01
	$20,071,344 80

Liabilities.

Reserve, 3½% and 3%	$16,161,753 55
Reserve on lapsed policies on which surrender values are claimable	5,294 93
Death Claims Unadjusted	67,360 67
Matured Endowments unadjusted	4,566 00
Present value of amounts not yet due on matured instalment policies	114,317 81
Dividends due Policy-holders	8,247 43
Deferred Dividends	19,570 79
Premiums and Interest paid in advance..	17,043 94
Taxes due and accrued	18,505 01
Due for medical fees and sundry accounts	15,063 81
Credit Ledger Balances	38,864 97
Surplus, 31st December, 1912	3,600,755 89
	$20,071,344 80

Audited and found correct,

J. M. SCULLY, F.C.A.,
Auditor.

GEO. WEGENAST,
Managing Director.

Waterloo, January 28, 1913.

New business (Canadian) written in 1912	$11,121,424	Increase over 1911	$1,094,050
Assurance in force, December 31, 1912	77,921,144	Increase over 1911	6,900,374
Assets, December 31, 1912	20,071,345	Increase over 1911	1,909,498
Surplus, Government standard, Dec. 31, 1912	4,388,361	Increase over 1911	735,238
Surplus earned in 1912	838,875	Increase over 1911	136,818

Surplus earnings for the year amounted to 31.16 per cent. of premiums received.

The Western Empire Life Assurance Company

Head Office - - Somerset Building, Winnipeg

FIRST ANNUAL REPORT

The first annual general meeting of the shareholders of The Western Empire Life Assurance company was held at the head office of the company in the City of Winnipeg on the twenty-fourth day of January, 1913. There was a large attendance. Amongst those being present were:—

William Smith, W. P. Rundle, H. F. Tench, A. J. Fraser, M.D.; L. J. Hallgrimson, J. H. Charnley, F. C. O'Brien, C. W. Green, M.D.; T. W. O'Brien, B. R. Gypson, Peter Tully, Hugh Fraser, J. H. Grainger, P. J. Howard, S. H. Matheson, J. F. Stirling, D. M. Bruce, A. M. Herron, all of Winnipeg; S. D. Hannah, of Waskada; Theo. Sweet, of Portage la Prairie; G. A. Fish, J. W. Hardaker, of Moose Jaw; and John H. Hilton, of Waldron.

The meeting was a most enthusiastic one. The report submitted and the comments thereon being such as to give the greatest satisfaction. The president occupied the chair.

After the usual preliminaries had been disposed of, Mr. William Smith, the managing director, read the report of the directors and the financial statement and auditors' certificate as follows:—

DIRECTORS' REPORT

To the shareholders, The Western Empire Life Assurance company.

Gentlemen: The directors beg to submit the report and statement of accounts for the first year of the company's operation.

The policies issued and placed total $1,008,500.00 with an annual premium of $27,244.15, which you will concede is a very satisfactory showing for the company's first year.

We have followed out the policy set down, and have confined our investments to first mortgages on improved revenue-bearing real estate, with the exception of the amount of our deposit with the government, which, to comply with the Insurance Act, is in the form of 20-year bonds, which are yielding about 4.10 per cent., the interest being guaranteed by the Manitoba government. The great demand for money to develop the resources of the country has enabled your directors to select investments affording ample security and at the same time yielding a remunerative rate of interest, the average rate realized exceeding 8 per cent.

There have been no death claims, a very gratifying feature, due, we think, largely to a judicious selection of risks in the first place by our agents and a careful revision by the medical director. It also reflects the fact that, while we have written a good volume of business, it has not been at the expense of quality.

Notwithstanding the ample provision for all liabilities, our surplus to policyholders amounts to the handsome sum of $209,402.71; the assets amounting to $223,821.49 plus the uncalled capital provides a total guarantee to policyholders of $549,821.49. It is also gratifying to note that there is a surplus of $84,402.71 on shareholders' account.

Your directors feel the necessity of exercising the greatest care in all matters pertaining to the welfare of the company. The result of the first year's operations, which is very gratifying to them, should prove equally so to policyholders and shareholders alike. It has enabled the company to carry out every promise it has made, and we are satisfied that the company is in a position to maintain the splendid record of its first year's operations.

Our report would not be complete if it did not make reference to those who secured the applications and collected the premiums. Life insurance to a very great extent always has been and always will be transacted by agents. The quality of the business, the persistency of the same, the satisfaction of the policyholders and to some extent the resulting mortality, reflect the character of the agents who make the representations under which the policies are taken. Upon the manner of their work depend, in no limited degree, the final financial results. The only inference that can be drawn from the splendid first year's achievements is that our agency staff is composed of men of not only exceptional ability, but of high moral character. Our policies have been placed fairly and honestly by fair and honest agents. This statement is warranted by the fact that there has not been a single complaint or a charge of misrepresentation laid by any policyholder. Your directors are of the opinion that the money expended in pursuit of business is money well spent and our present enviable position is in a large measure due to those who are working so faithfully in the endeavor to add to our rapidly increasing volume of business.

FINANCIAL STATEMENT

Statement for Year Ending December 31st, 1912.

Authorized capital		$1,000,000.00
Subscribed capital		500,000.00
Paid-up capital		125,000.00
RECEIPTS		
Cash received from shareholders	$	48,178.49
First premiums, $16,229.78		
Less re-assurance 626.80		15,602.98
Renewal premiums		346.45
Interest		2,488.07
Total receipts		$66,615.99
DISBURSEMENTS		
Taxes and license fees	$ 776.48	
Head Office salaries	9,555.80	
Consulting actuary's fees	900.00	
Traveling expenses	771.05	
Rent	1,200.00	
Bonds and auditors' fees	95.00	$13,298.33
Commissions	9,107.52	
Agency expenses	522.79	
Medical fees	1,707.00	
Advances to agents	5,203.88	$16,541.19
Printing, stationery and advertising	2,941.77	
Postage, telephone and telegraph	328.94	
Exchange	113.67	
Stock commissions	10,861.50	
Organization and legal expenses	381.87	
Miscellaneous expenses	1,495.71	$16,123.46
Total expenses		$45,962.98
DISBURSEMENTS ON CAPITAL ACCOUNT		
First mortgages	$17,477.50	
Office furniture	1,151.95	$18,629.45
Total disbursements		64,592.43
ASSETS		
Cash in bank and on hand	$	2,584.74
Debentures (government deposit)		5,000.00
First mortgages		17,477.50
Furniture		2,141.37
Agents' balances		6,638.18
Accrued interest		4.405.61
Shareholders' notes (bearing 7 per cent.)		175,445.86
Deferred and outstanding premiums less cost of collection		10,128.23
Total assets		223,821.49
LIABILITIES.		
Reserve and all other liabilities	$	14,418.78
Surplus policyholders' account	$	209,402.71
Paid-up capital	$	125,000.00
Surplus shareholders' account	$	84,402.71

Insurance in force	$1,000.500.00
Premium thereon	27,244.15
Total assets	223.821.49
Uncalled Capital	375.000.00
Total guarantee to policyholders	598,821.49

AUDITORS' CERTIFICATE

Winnipeg, January 11, 1913.

We have examined the books and accounts of The Western Empire Life Assurance Company for the year ended December 31, 1912; satisfactory vouchers were produced for all disbursements, and, in our opinion, the above statement exhibits a true and correct view of the company's affairs as shown by the books of the company at said date. The securities, excepting the debentures lodged with the provincial government, of which we have seen satisfactory evidence, have been exhibited to us and found in order.

STIRLING & RANKIN,
Chartered Accountants,
Auditors.

Mr. Smith in moving the adoption of the report, spoke briefly, drawing attention to the splendid position attained by the company in its first year of operation and quoted figures which positively demonstrated that the company in its first year had written a larger amount of business, at a good deal lower expense, than other companies recently formed, operating under similar conditions. When the company commenced business one year ago, it only had two agents under contract and the close of the year finds it with an organization capable of producing in the neighborhood of $200,000.00 of business monthly, and in addition to writing $1,044,000.00 of insurance, we have increased the subscribed capital of the company, by securing subscribers for an additional quarter of a million dollars' worth of stock. Valuable assistance has been rendered by the directors; they have given a great deal of time to the company's affairs, and the success attained by the company in a great measure is due to their assistance, and their enthusiastic attention to business of the company.

Mr. W. P. Rundle, in seconding the motion, said: "It certainly gives me great pleasure to be present on an occasion like this. The Western Empire is the child of an idea and that idea originated in our president's brain, so that The Western Empire Life Assurance company is his child and it is up to him to see that it is well looked after. I think it is and will be well looked after. While the company is but a year old, it has already 400 policyholders 300 shareholders, 3 provincial managers, and 125 agents, and in the year just ended our agents scattered between the Red river and the Pacific coast have no doubt talked "Western Empire" into the ears of thousands of Canadian citizens, approaching all classes." He remarked upon the responsibility resting on the directors, stating: "There is entrusted to the directors of any company a mighty, and serious responsibility; they have large amounts of money entrusted to their care and keeping, the money of fathers, widows, young men and women. We have in our ontrol, to some extent at least, the future good and welfare of these people and their children. I do not think there is any institution in the world better able to do this than a life insurance company, as a life insurance company more than any other, must say, 'I am my brother's keeper.' We started with great hopes for this company and with a great purpose; there must be no debasement of motive, we must not lower our standtrd of thought and action. What brains have done, brains can do again. A large business, a large bank account, a great name are good things, but I think that a long list of loyal and satisfied shareholders and policyholders is a greater thing, I think when we hand over the company to our successors, we must see that we hand it over as a vigorous and clean institution." Mr. Rundle read the following letter from Miles M. Dawson, the company's consulting actuary, to the president:

MILES M. DAWSON,
Counsellor at Law, Consulting Actuary.
141 Broadway,
New York.
January 16, 1913.

WILLIAM SMITH, ESQ.,
Managing Director,
701 Somerset Block,
Winnipeg, Can.

My dear Mr. Smith: I beg to congratulate your company upon the handsome volume of business procured during the first year and the moderate rate of commission at which the same has been procured.

Wishing the company even greater achievement in 1913, I am,

Yours sincerely,
(Signed) MILES M. DAWSON,
Consulting Actuary.

"It gives me pleasure indeed, to second the motion for the adoption of the report."

Mr. Hilton spoke in favor of the motion, expressing the opinion that in consideration of the volume of business transacted, the disbursements were very low, and that he considered the expenses moderate and reasonable.

Dr. Fraser, in supporting the motion for the adoption of the report, said: "The year has been a satisfactory one, the cost of the business has been moderate and in regard to the quality of the business from a medical point of view, I consider that it is of exceptionally high quality. The care exercised by the agents in selection of risks is well shown by the fact that out of $1,044,000.00 of business applied for, we were able to issue $1,008,500.00. As a shareholder, I am well satisfied with the financial statement, and I approve very heartily in the adoption of the report."

Mr. H. F. Tench, Mr. S. D. Hannah, and others, spoke in favor of the adoption of the report, expressing great satisfaction at the showing made. The motion to adopt the report was unanimously carried.

The president then announced to the meeting that an offer had been received from London, England, for the balance of the capital stock of the company (5,000 shares), at an increase in premium of $10 per share. The offer was made prior to the capital of the company being increased, about one month since, and a deposit of $50,000.00 was offered as a guarantee of good faith, if the directors would agree to allot the shares after the capital was increased. While the directors recognized the importance of this offer, and the advantages that would accrue to the company from the sale of 5,000 shares of stock, thus securing $300,000.00 in cash, they decided, in view of the meeting of the shareholders being in sight, to let them deal with it. After a good deal of discussion, it was decided to reject the offer and give the present shareholders and other people in the West, an opportunity to acquire stock that was so eagerly sought by men in London, England, who were accustomed to looking into projects of this kind and weighing the possible future profits accordingly. Upon the motion of Mr. B. R. Gypson, seconded by Mr. W. P. Rundle. It was resolved: "that the offer be refused."

On the motion of Mr. W. P. Rundle, seconded by Mr. J. H. Hilton, Messrs. Stirling and Rankin were appointed auditors for the current year. A vote of thanks, on the motion of Mr. F. C. O'Brien, was accorded the auditors. Mr. Stirling replying said: "There are three kinds of statements: those that require explanation, doubtful ones, and those that require no explanation. It is in the latter class that I place The Western Empire. I think the shareholders have cause to heartily congratulate themselves on being connected with this company." He also remarked upon the very pleasant relations that had existed between the company's officials and himself, stating that they had assisted him every possible way and that he had never in all his experience, undertaken an audit that had given him such great satisfaction.

After the usual votes of thanks to the directors, field and office staff had been passed, the meeting proceeded to elect a board of directors. The undermentioned were elected and at a subsequent meeting of the directors and officers those named below were chosen:—

DIRECTORS.

W. P. Rundle, Esq. .... Winnipeg.
A. J. Fraser, Esq., B.A.,M.D.,C.M., Winnipeg.
H. F. Tench, B.A., ... Winnipeg.
L. J. Hallgrimson, Esq., ... Winnipeg.
G. N. Broatch, Esq., B.A., LL.B., ... Moose Jaw.
S. D. Hannah, Esq., ... Waskada.
R. J. Sprott, Esq., B.A. .... Vancouver.
G. E. Graham, Esq., ... Vancouver.
Wm. Smith, Esq., ... Winnipeg.

OFFICERS

Wm. Smith, president and managing director.
W. P. Rundle, vice-president.
H. F. Tench, vice-president.
A. J. Fraser, medical director.
J. H. Charnley, secretary.
F. C. O'Brien, treasurer.

BOND NOTES.

Readers of The Post will remember our remarks concerning the one-sided agreement that the Town of Macleod made with Ben H. Morgan, of London, Eng., with regard to the sale of certain debentures. The town gave Morgan a three months' option on $336,000 debentures, the price being 93½, the rate 5 per cent., and time, 40 years. The London financier has been unable to sell the debentures for the city, and, in fact, could not dispose of a certain amount of the bonds for treasury bills that would net the town 92¾. Macleod has thus been delayed in the sale of its debentures, but has practically accepted an offer of the Union Bank's connection in England at 89. The town has lost by delaying its sale almost six months, while the Londoner has squandered the $1 he paid for his option.

The Welland finance committee has recommended that the rate of interest on $179,000 debentures be increased from 4½ to 5 per cent. It is expected that the town will have a total of about $400,000 debentures to sell this year.

Regina has appointed the Bank of Montreal as its fiscal agent.

Two and a half per cent. of the Edmonton, Dunvegan and B. C. Railway issue has been taken by the public. The issue was $738,000, 4 per cent. debentures at 92, guaranteed by the Province of Alberta. The failure is due to the high price at which the debentures were offered to the public. The issue was sold by the railway company a year ago, and the underwriters, even at 92, have had to take a three point loss. The company, however, has fared well, and is now expending the money.

An agreement has been made between the City of Winnipeg and the Town of Transcona for the purchase by the former of the latter's debentures to the amount of $18,000. Ninety-four will be the price, the interest rate being 6 per cent. Winnipeg is buying these debentures out of its sinking fund. Transcona has $120,000 5 per cent. 20 year school debentures for sale, for which an offer was recently received.

Regina received only two offers for its recent offering, and the council has decided to postpone sale until next spring. Wood, Gundy & Co., Toronto, offered 97⅛ for $200,000, on condition that an option be given on the remainder. Another offer of 97 was received, the latter, however, providing that an option of thirty days be given by the city.

Edmonton.—Six per cent. was the rate of interest fixed by the City Council of 1913 for a temporary loan of $1,500,000 to be borrowed on the estimated tax revenue of the city. Mayor William Short presided for the first time. The rate on debentures remaining unsold at the beginning of the year, was placed at 5 per cent. The council also passed by-laws carrying appropriations of $452,164 for street and sewer work.

ROBIN JONES & WHITMAN.

Offering of $100,000 6 Per Cent. Preferred and $25,000 Common Stock.

Messrs. J. G. Mackintosh & Co. are offering $100,000 6 per cent. cumulative preferred stock and $25,000 common stock of Robin, Jones and Whitman, Ltd., as follows: Preferred stock at 85 per cent. and bonus of 25 per cent. common stock, or preferred stock at 80 per cent with 25 per cent. of common stock at 20 per cent. The Robin, Jones and Whitman, Ltd., was formed in 1910, being an amalgamation of three trading and fishing companies, whose business the present company still continues.

The following table shows the company's earnings and disposition of earnings for the past two years:

	Net Profits.	6% Int. Bonds.	6% Divs. Pfd. Stock
1911	$114,631.24	$14,272.60	$50,020.00
1912	98,304.08	13,011.20	49,380.00

	Earnings for com. stock	Reserves & balances
1911	$50,338.64	$53,007.60
1912	35,912.88	88,102.55

HOW TO INVEST MONEY WISELY.

Many an investor in exclusively the highest grade bonds and stocks has wondered since the 1907 panic why these securities, of the best classes are worth, in the market, less now than they were at the former time. Considerations such as these are the basis of a most interesting and valuable book just written and issued by John Moody, of New York.

The volume, which is entitled "How to Invest Money Wisely," is built around the fact that there are two general classes of securities, namely:

"Securities, the investment values of which are beyond or above the influences of fluctuating earning power; and securities, the values of which are almost exclusively affected by changes in earning power."

Mr. Moody shows, what many an investor has learned from experience, that investments should be distributed, both in good and bad times, among the classes known as high-grade and medium grade stocks and bonds. In other words, the fact of cycles in the business conditions of the country and the corresponding cycles in the money market must be taken into consideration by any careful investor, and his money not placed in any one class even the so-called "high-grades."

The value to the investor of a continual study of the Business Outlook is indicated by Mr. Moody as follows: "One of the main things for every investor to do is to carefully study the fundamental business trend, and endeavor to ascertain the periods when investments should be most wisely purchased and when they should be sold."

The book, which well merits careful reading, is published at $2.

"Psychology of the Stock Market."

"To make the greatest success it is necessary for the trader to forget entirely his own position in the market, his profits or losses, the relation of present prices to the point where he bought or sold, and to fix his thoughts upon the position of the market. If the market is going down the trader must sell, no matter whether he has a profit or a loss, whether he bought a year ago or two minutes ago."

The foregoing is from a useful little book on the Psychology of the Stock Market from the pen of G. C. Selden and is a result of his study and experience as a fellow at Columbia University and in financial newspaper work.

The book deals in a sane fashion with some of the knowledge respecting the actual and the desirable mental attitudes of speculators and investors which the stock trader must have if he is to buy and sell intelligently. The book is published by the Ticker Publishing Company, of New York.

WESTERN WHEAT MOVING.

Mr. W. P. Hinton states that the Grand Trunk Pacific line from the prairies to the head of navigation on Lake Superior has been a large factor in the movement of grain all winter. There has been something like 30,000,000 bushels of wheat carried out from the country tributary to the company's lines and it is moving at the rate of 200,000 bushels a day.

The annual general meeting of the shareholders of the North Empire Fire Insurance Company will be held on Saturday, the 15th day of February, 1913, at Winnipeg.

"WHAT TO DO WITH MONEY"
is the name of our latest booklet.
It tells about our 5% Debentures.

If you have $100 or any multiple thereof, you can get interest at 5% per annum, payable every 6 months, by buying debentures. You can get your money back plus accrued interest by giving 90 days' notice, should an emergency arise.

If you have $1.00 or more, you can get interest at 4% per annum, paid or credited every 3 months, by depositing the money subject to withdrawal by cheque. It is profitable to do business with us.

"The deposits and debentures of this Company are especially authorized by an Order-In-Council as an investment for trust funds by Trustees and Executors."

THE GREAT WEST
PERMANENT LOAN COMPANY

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436 Main Street, Winnipeg

Branch Offices in Canada:
20 King St. West, Toronto
7 Pender St., Vancouver
1016 Goverment St., Victoria
807 Centre St., Calgary
52 Jasper Ave. West, Edmonton
1845 Scarth, St. Regina

The Canada National
Fire Insurance Company

Subscribed Capital	$2,055,400
Capital Paid in	700,000
Net Surplus	210,000
SURPLUS TO POLICY HOLDERS	900,000

BOARD OF DIRECTORS:
President, CAPT. WM. ROBINSON
Managing Director W. T. ALEXANDER.
Vice-Presidents:
Nicholas Bawlf D. E. Sprague F. H. Alexander
Directors:
E. F. Hutchings, E. L. Taylor, K.C., E. D. Martin, D. R. Dingwall, S. D. Lazier, E. S. Popham, M.D., Andrew Gray, Victoria., Jon. Rogers, Vancouver., F. N. Darke, Regina.
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AGENTS WANTED IN UNREPRESENTED DISTRICTS

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Trust Co.

Subscribed Capital, - - - $1,000,000
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Vice-Presidents:
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E. F. Hutchings, Esq.
Hon. D. C. Cameron, Lieutenant-Governor, Province of Manitoba.
Sir Gilbert Parker, Bart., M.P., London, Eng.
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W. T. Alexander, Esq.
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Real Estate and Financial Agents
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THE PACIFIC COAST

PEOPLE'S TRUST COMPANY ASSIGNMENT—DEPOSITORS PROTECTED.

Resumption of Dividend Payments By Granby—Germania Fire Opens in Vancouver—Money Conditions—Gypsum Deposits at Kamloops.

VANCOUVER.—Fred. S. Penfield, of Portland, superintendent for the Pacific Coast for the Germania Fire Insurance Co., of New York, has been in Vancouver for the past two weeks studying fire insurance conditions. As a result of his trip Mr. Penfield has placed a general agency for the province with the National Finance Company, which is one of the leading trust companies of the West. The Germania is one of the strong companies of the States, having a cash capital of $1,000,000, assets nearly seven millions, and a surplus of $2,289,632. Its premium income for 1911 was $2,962,246, and its expenses to premium was 41.5 per cent. The Germania was incorporated in 1859.

Gypsum Claims Near Kamloops.

Extensive gypsum deposits have been known to exist for some time near the village of Falkland, which is located on the Canadian Northern branch line from Kamloops to Vernon. Development work has not been done owing to transportation difficulties. As the railway nears completion an incentive has been given the industry. The Manitoba Gypsum Co., a Winnipeg concern, has purchased eight acres of these claims, and will spend a considerable amount of money in locating an up-to-date plant, employing over a hundred men. The claims are said to be about the finest in Canada, showing 99 per cent. of pure gypsum. The company intends to supply the entire West from its factories at Falkland.

People's Trust Company Assigns.

The People's Trust Company, a well known concern, having its head office in New Westminster, assigned to Mansfield & Edwards on Wednesday of this week. The assets, though not yet made public, are said to be about $500,000, or double the firm's liabilities. The directors are A. W. McLeod, president, New Westminster; J. K. Burden, vice-president; W. E. Fales, E. Frank and D. Rashleigh, New Westminster; A. Smith, Ladner; Messrs. Hosker and Norris, Kamloops, and ex-Reeve Pound, of South Vancouver. The general manager is James Drysdale. This company, although "trust" in name, has been merely conducting a general real estate and speculative business. The Trust Companies Act of this province is very plain, providing that no trust company shall use its funds in speculative enterprises. There are several other so-called trust companies in British Columbia conducting the same class of business, some of which will likely follow the same course within a short time. The People's Trust Company were taking deposits, their branch in South Vancouver having given the best returns. This branch has been recently disposed of, as has already been announced in The Post. In the present crisis the firm found it impossible to meet payments on real estate. Arrangements were made through the Dominion Trust Company and the Royal Bank to protect the depositors.

Vancouver Breweries, Ltd.

Readers of The Post will remember the recent merger and stock issue of the Vancouver Breweries, Ltd. Mr. C. M. Marpole, the managing director, has just returned from a business trip to New York, where he completed all arrangements for the extension of the plant of the Canadian Brewing and Malting Co. at a cost of about $300,000. With the completion of this new work the company will have one of the largest and most up-to-date plants in Canada. The work will start at once, and will be completed in four months.

Money Conditions in West.

The following remarks of C. A. B. Brown, Toronto manager of Bradstreets Commercial Agency, who is visiting British Columbia for the first time in two years, are interesting:—"I have found during my trip through the West that money is very tight, and that collections are none too good. This state of affairs is general throughout the Dominion, however. With the great optimism and buoyancy that obtains throughout the prairie provinces and British Columbia, the general opinion is that this condition of affairs will not last long, and that 1913 will be a very prosperous year."

Granby Resumes Dividends.

One of the most important announcements made in local mining circles for some time is that of the resumption of dividend payments by the Granby Smelting Co. This company has just declared a dividend of 1½ per cent. on the issued capitalization, which will equal $225,000. This will make the total distribution up to $4,273,630. The last dividend payment was made in December, 1910. The company is earning about $150,000 per month, and the treasury is said to contain $1,500,000. Local stockholders believe that the company will maintain regular payments, and will increase the dividend rate.

C. P. R. IN MONTREAL.

With the object of not only improving the service in the Montreal terminals, and the service generally, the Canadian Pacific Railway Company has announced several changes in the districts of the Eastern Division, which will become effective on February 1st next. In connection with these changes new appointments are also announced by Mr. G. Hodge, general superintendent Eastern Division, and approved by Mr. C. Murphy, general superintendent of transportation. District No. 1, which comprises from the Adirondack Junction to Megantic, Newport and branches, remains the same, and Mr. W. B. Way, who is at present assistant superintendent of District No. 3. has been appointed superintendent of this district, with offices at Farnham, in place of Mr. J. K. McNeille, transferred. District No. 2 comprises the Montreal terminals (east of Western Junction and Breslay and north of Highlands, all inclusive), and Mr. J. K. McNeille, formerly at Farnham, has been appointed superintendent, with office at Montreal. District No. 3 remains as at present, comprising Montreal to Ottawa along the north shore, and to Quebec, including all the branches north of the St. Lawrence River. The district No. 4 comprises the Ottawa terminals, and the M. and O., Waltham, Maniwaki, Prescott and Point Fortune sub-divisions, with headquarters at Ottawa. District No. 5 consists of the Smith's Falls subdivision, west of Western Junction, and the Chalk River, Brockville and Eganville sub-divisions. The superintendency of this new district has been given to Mr. J. R. Gilliland, who is at present superintendent of the Montreal terminals and Smith Falls sub-division. Mr. Gilliland will have offices at Smith Falls. Mr. J. G. Morazain, who has been agent at Quebec, has been appointed assistant superintendent of this district, in place of Mr. Way, transferred.

MULTUM IN PARVO.

The registration of the Balkan Corporation, Limited, with a capital of £100, in £1 shares, the object being to carry on the business of financiers, etc., opens up a new source of credit to the late belligerents in the Near East. There will be ample scope for employment of the company's capital, and, as the number of directors may be 15 (with a remuneration of £500 each, and £250 extra for the chairman), the peace delegates might to advantage be appointed pro tem. to the board during the pause in their labors. The minimum cash subscription of seven shares has been implemented by the signatories, including two solicitors and five clerks. The financial evolution of the corporation will be well worth watching.—The Financier.

WESTERN CANADA CAN SOLD.

New Westminster.— The American Can Company has purchased the Western Canada Can Company's factory, situated on the boundary of New Westminster and East Burnaby for $200,000. The big American Corporation means to operate this plant until May when they intend to move their operations to a more suitable location, which will probably be in Coquitlam or New Westminster. There a new factory will be built on a far larger scale than the old one, and cans of all kinds will be manufactured by machinery by a new process. The old company employed one hundred men and had an output of 200,000 cans a day, the market for its produce including British Columbia, Alberta, China, Japan and Australia.

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GENUINE SILVER BLACK FOXES
A few options available for 1913 Stock. Only the best grade handled. Holding world's highest record.
If interested, write or wire
BOX "Z", MONTAGUE, P. E. I.

Island Ranch
2,700 Acres
This beautiful Ranch is located 20 miles west of Red Deer, with about 800 acres broken, and Balance all open land, can be easily broken, except about 20 acres of small poplar. Includes about 500 acres timothy hay land which for past two years has yielded average crop of 1¾ tons per acre, sold at from $12.00 to $15.00 per ton.
The Medicine River runs through this Ranch and gives an ample supply of water the year round. It is all fenced and cross fenced with 3-strand wire.
There is a splendid house 24 x 30, also three horse barns, corrals, etc.
This ranch is 2 miles from C.P.R. station and 3 miles from C.N.R. siding, and adjoins the Village of Evarts, which has a School, Post Office, Church, Creamery, Two General Stores, and Licensed Hotel.
Price $25.00 per acre. Terms, one-third cash, balance spread over five years at 7%.
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Sudbury has the richest silver, copper and nickel mines in the world. Exceptional opportunities for large syndicate and small investor alike. "The surface has only been scratched."
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We can make your money earn good returns by investing it in
INSIDE CITY PROPERTY and GOOD FARM LANDS.
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Offer Completed First Mortgages on Improved Alberta Farms.
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Choice farm lands, business, residential and trackage properties for sale.
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to be the headquarters of C.N.R. in Southern Alberta. I have some
Good Business Property Investments
Also some good acreage suitable for subdivision.
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Macleod, Alta.
REFERENCES—Can. Bank of Commerce, Union Bank of Canada, Bank of British North America.

THE

Toronto General Trusts Corporation

Report of the Proceedings of the Thirty-first Annual General Meeting.

The Thirty-first Annual Meeting of the Shareholders of The Toronto General Trusts Corporation was held in the Board Room of the Corporation's Head Office, corner of Bay and Melinda Streets, Toronto, on Wednesday, the 5th of February, 1913. There were present:—

Hon. Featherston Osler, K.C.; John Hoskin, K.C., LL.D.; Sir John M. Gibson, K.C.; Thomas Long, Sir Aemilius Irving, K.C.; D. R. Wilkie, Hon. Robert Jaffray, Sir Wm. Mortimer Clark, K.C.; Alexander Nairn, E. T. Malone, K.C.; G. A. Stimson, W. D. Matthews. H, S. Osler, K.C.; J. W. Langmuir, J. B. Holden, C. S. MacInnes, K.C.; J. Bruce Macdonald, Fred. C. Jarvis, J. G. Scott, K.C.; C. W. Maclean, J. Harry Paterson, Edward Galley, A. L. Malone, D. A. Dunlap, A. D. Langmuir, G. F. Johnston, Hamilton Cassels, K.C., Sir Edmund Walker, Geo. Porter, G. A. Grover, G. L. Francis, W. R. Brock, Alexander Smith, Dr. D. King Smith, Geo. S. May, Sir Edmund B. Osler, M.P.; Wm. C. Brent, W. G. Watson, E. E. Argles, T. J. Maguire, W. N. Lonsdale, H. M. Forbes, F. R. Dymond, H. C. Hewetson, J. A. H. Burt, Fred. L. Jarvis, James Lang, E. S. Dean, J. H. A. Byers, H. A. Calder.

The President, the Hon. Featherston Osler, took the chair, and Mr. A. D. Langmuir, the Assistant General Manager, acted as Secretary to the meeting.

The financial statements, showing the operations of the Corporation for the year ended 31st December, 1912, were submitted, and commented upon by the General Manager, Mr. J. W. Langmuir.

The report to the shareholders was then read as follows:

THIRTY-FIRST ANNUAL REPORT OF

The Toronto General Trusts Corporation

being for the year ended 31st December, 1912.

To the Shareholders:—

The Board of Directors have pleasure in submitting the Thirty-first Annual Report of the Corporation, accompanied by the Profit and Loss and Assets and Liabilities Statements for the year ended 31st December, 1912.

The net profits for the year, after payment of entire cost of management and all other fees and expenses, amount to $233,915.93. To this amount the net profit on the sale of the Corporation's old head office premises, corner of Yonge and Colborne Streets, amounting to $95,618.74, must be added, together with the premium of $213,746.50 received from the sale of the new stock of $250,000 issued during the year, and the balance of $71,237.37 brought forward to the credit of Profit and Loss from 1911, making a total of $614,518.54, which has been dealt with by your Board as follows:—

To payment of four quarterly dividends at the rate of 10% per annum	$110,892.38
To total cost of office furniture, and equipment for Treasury and Filing Vaults in new Head Office building written off	17,155.08
To Reserve Fund (increasing this fund to $1,100,000)	400,000.00
To amount carried forward to the credit of Profit and Loss	86,471.08

The Assets and Liabilities Statement for the year shows that the total assets in the hands of the Corporation amount to $53,852,564.15, an increase over the year 1911 of $8,765,904.16.

The volume of executorships, administrations, trusts and work of a kindred character which came into the hands of the Corporation during the year ended 31st December, 1912, amounted to $10,424,764.20, which exceeds the amount of new work assumed by the Corporation in any one year since its inception.

The Board of Directors regret to announce that during the year no less than four members of the Board have passed away, viz.: Mr. John Laing Blaikie, Mr. Samuel Nordheimer, Mr. Frederick Wyld, and Mr. William Henry Beatty.

All which is respectfully submitted.

FEATHERSTON OSLER,
President.

Toronto, January 28th, 1913.

The Toronto General Trusts Corporation

PROFIT AND LOSS STATEMENT.

For Year Ended 31st December, 1912.

By Balance brought forward from 31st December, 1911		$ 71,237.37
By Commissions from management of Estates acting as Trustee for Bond Issues, Registrar and Transfer Agent, etc., Interest on Capital and Reserve, Profits on Guaranteed Funds, Net Rents from Office Buildings, Vaults, etc.	$ 449,923.15	
To Management expenses, including Directors' and Auditors' fees, salaries, advertising, rent, commissions paid agents for finding loans, etc.	216,007.22	
Net Profits for year		233,915.93
By Surplus re sale of Corporation's old office premises, corner Yonge and Colborne Streets, Toronto		95,618.74
By Premium received on issue of $250,000.00 of New Stock of the Corporation		213,746.50
		$ 614,518.54
Appropriated as follows:—		
To Quarterly Dividends Nos. 63, 64, 65 and 66, at the rate of 10% per annum		$ 110,892.38
To Amount of Office Furniture and Vault Equipment Account written off		17,155.08
To Carried to Reserve Fund		400,000.00
Balance carried forward		86,471.08
		$ 614,518.54

Assets and Liabilities Statement for Year Ended 31st December, 1912

ASSETS.

Capital Account—		
Mortgages on Real Estate	$ 1,219,557.40	
Stocks and Bonds	81,600.00	
Call Loans on Stocks and Bonds	300,897.99	
Real Estate—		
Office Premises at Toronto and Ottawa, including Safe Deposit Vaults	820,498.48	
Accrued rents, re Offices and Vaults at Toronto and Ottawa	4,197.38	
Sundry Assets	2,964.37	
Cash on hand and in Banks	50,673.74	
		$ 2,480,389.36
Trust, Guarantee and Agency Account—		
Mortgages on Real Estate	$19,455,923.03	
Government and Municipal Debentures	4,040,649.72	
Loan Company Debentures	3,400.00	
Stocks and Bonds	872,368.10	
Loans on Stocks and Bonds and Debentures	903,666.86	
Sundry Assets	3,041.08	
Cash on hand and in Banks	943,889.41	
		26,222,938.20
Trust Estates and Agencies—		
Unrealized original assets, including Real Estate, Mortgages, Debentures, Stocks and Bonds, etc., at Inventory Value		25,149,236.59
		$53,852,564.15

LIABILITIES.

Capital Account—		
Capital Stock	$ 1,250,000.00	
Reserve Fund	1,100,000.00	
Dividend No. 66	30,854.89	
Profit and Loss	86,471.08	
Interest in Reserve	12,813.39	
Balance of Auditors' Allowance	250.00	
		$ 2,480,389.36
Trust, Guarantee and Agency Account—		
For investment or distribution	26,222,938.20	
		26,222,938.20
Trust Estates and Agencies—		
Inventory Value of unrealized Original Assets of Estates and Agencies under administration by the Corporation		25,149,236.59
		$53,852,564.15

The President, Hon. Featherston Osler, moved the adoption of the report, seconded by John Hoskin, K.C., LL.D.

The President then called upon Mr. J. W. Langmuir, Vice-President and General Manager of the Corporation, to address the Shareholders.

Mr. Langmuir spoke as follows:—

First, I may be permitted to congratulate the Shareholders and all associated with us on the completion and entire occupation of our new building. At our last Annual Meeting on 7th February, 1912, we were able, by ejecting plasterers and painters, to occupy the Board Room in which we are now in session, for the day only, but our offices and vaults were not ready for occupation until Easter, at which time we took possession of our new Head Office home, and transferred, with a good deal of labor and not a little anxiety, the accumulated contents of our Safe Deposit, Treasury and Filing Vaults. You will be pleased to know that the transfer and lodgment of securities, documents, books and records, the accumulation of over thirty years, was effected without inconvenience to any of our clients, or the loss or misplacement of a single docnment.

A sale of our former premises was made shortly after we vacated at a net profit over the book value of $95,618.74.

I have pleasure in reporting that after over nine months' occupation of our new offices we find them in all respects well suited for the Corporation's purposes, both in regard to location, interior arrangement and general equipment.

Although we have received excellent offers for the purchase of the premises on Melinda Street east of our present building, and which were included in the original purchase by the Corporation, the Board decided to retain and rent this property, so that it might be available for any future extensions to the Head Office that may be required.

The Shareholders will doubtless be interested to learn that the Corporation has been successful in providing itself with a much-needed Head Office that in architectural beauty and construction is quite up to the best standards, either here or in the United States, and at the same time produces a fair interest return upon the capital expenditure. The entire space on the upper floors was readily leased to high-class tenants at a rent which, added to a sum equal to less than a $1.50 per superficial foot which we charge ourselves for the ground floor, basement and first floor, produces a net return of 5 per cent. on the investment, or a net return of approximately 6 per cent. if we include the rents derived from our Safe Deposit Vaults.

So much for our new building.

Coming now to a review of the general operations of the Corporation for the past year, after reviewing the very elaborate statements which have been laid on the table, it will, I think, only be necessary in my remarks to summarize the more salient points in connection with the year's operations.

The Corporation has now passed the fifty-million-dollars record in its assets as the residium under its care, the actual amount being $53,852,564.15, or an increase over the preceding year of close upon $9,000,000.

During the year the Corporation made permanent mortgage and debenture investments authorized under the Act, or by the respective instruments appointing the Corporation, over $6,000,000, as against $4,750,000 for 1912. It will be observed from the statements placed before you that there is close upon $1,000,000 cash on hand in the various banks, only a portion of which, however, is subject to investment, and for this amount there were sufficient loans in the Solicitors' hands at the end of the year.

The character of our loans in the Province of Ontario may be judged from the fact that out of mortgage investments aggregating $14,081,723.21, 94.40 per cent. of the interest was paid as at 31st December, 1912, and a large portion of the 5.60 per cent. arrears has since been paid. Respecting mortgage investments in the Northwest Provinces, it will be obvious that they cannot be judged on the same lines as Ontario loans, for the reason that interest on farm loans is payable annually, and interest payments depend very largely upon weather conditions and means of transportation. Even with these conditions, out of $6,331,067 invested in the Provinces of Manitoba, Saskatchewan and Alberta, interest to the amount of 73 per cent. has been paid as at 31st December, 1912, and large collections have been made since that date.

The interest, dividends, rents and general income collected by the Corporation on the assets under its care during the past twelve months amounted to close upon $3,000,000, as compared with $2,643,004.02 in the preceding year, or an increase of about $350,000.

The compensation received for the management of estates for the year, as fixed by the courts or by special arrangement with the beneficiaries, amounted to $195,593, as against $167,909 in the previous year, or an increase of $27,684.14. While this compensation in the aggregate may appear considerable, it represents approximately only two-fifths of one per cent. of the value of the Trusts and Agencies under the control of the Corporation.

I think I can safely assert that there is no business of a monetary or commercial character which necessitates the employment on its staff of a larger percentage of skilled and properly-trained employees than a company having the care and management of estates and trusts. A trust company must at all times be prepared to take over and effectively administer assets of every description, which can only be properly done by having in the service men who have acquired, through practical experience a thorough knowledge of almost every branch of industrial and commercial activity. During its career the Corporation has been called upon to conduct or supervise and wind up such businesses as, for instance, wholesale groceries, dry goods, general stores, timber limits and mills, cement plants, contracting enterprises of all kinds, manufactories, elevators, hotels, summer resorts, farms, drug stores, livery stables, stock broking, etc.

Keeping this in mind, I think it will be admitted that the cost, viz., $216,007.22, of managing and administering the large mass of business under the care of the Corporation (now amounting to over $50,000,000) is quite moderate, it being considerably less than one-half of one per cent. on the business in hand. Of this amount the expenditures for the inspection and oversight of properties alone amounted to close upon $20,000.

The foregoing figures as to compensation and cost of management very plainly indicate that the compensation allowed for the care and management of a trust company's assets of a fiduciary nature can only show a reasonably profitable return through the accumulation of a large volume of business. That, at any rate, is the experience of this Corporation, for, as a matter of fact, we are only now beginning to derive a fair profit from the management of our Trust and Agency business, apart from our investments of capital and guaranteed funds.

Owing to the large increase in the volume of business placed under the care of the Corporation during the past five years, the Board of Directors considered it necessary to increase the Capital Stock of the Corporation, and to that end a by-law was passed authorizing an additional capital issue of $1,000,000 (making our total authorized capital $2,000,000), which by-law received the sanction of the Shareholders at a special meeting called for that purpose on the 7th May, 1912. It was decided, however, to issue during 1912 only $250,000 of the amount authorized, and to allot the same at a premium of 85 per cent., or $185 per share, to the Shareholders as of record on the books of the Corporation on the 5th day of June, 1912. Effect was given to this resolution, and, as the statements show, the sum of $213,746.50, representing premium, was credited to the Profit and Loss Account.

From the printed statements which have been placed in the hands of the Shareholders it will be observed that the net profits for the year amounted to $233,915.93, as against $198,392.42 last year, and they further show that we have carried to Profit and Loss Account the surplus profit on the sale of our old office premises on Yonge Street, namely, $95,618.74; that we have credited that account with the premiums received on the new stock issue of $250,000.00, amounting to $213,746.50, making a total of $614,518.54 appearing at the credit of Profit and Loss as at 31st December, 1912. Out of this amount your Directors declared and paid four quarterly dividends, at the rate of ten per cent. per annum, amounting to $110,892.38; wrote off the entire indebtedness for office equipment, $17,155.08, and carried to Reserve Fund the sum of $400,000, leaving at the credit of Profit and Loss the sum of $86,471.08. It will thus be seen that our paid-up capital now stands at $1,250,000.00, and the Reserve and unappropriated profits at $1,186,471.08, or a total of $2,436,471.08.

Reviewing the operations for the past year as a whole I feel assured that not only the Shareholders have reason to be satisfied with the results, but, what is perhaps of greater importance in a Trust Company, our clients, comprising many thousand beneficiaries of estates and trusts, and others whose interests we have in charge, will also be satisfied with the financial condition and strength of the Corporation.

At the risk of wearying the shareholders and the public generally with a repetition of the warning given at almost every Annual Meeting of the Corporation of the great danger incurred in the indiscriminate granting of charters and licenses to companies designating themselves "trust" companies, but many of which are really brought into existence primarily for the purpose of selling their stock in order to obtain funds for speculation in real estate and the promotion of speculative enterprises generally, I must continue to place warnings on record. Were it not that many of these companies, more particularly in the northwestern Provinces—have equal, if not greater, powers conferred on them to act as Executor, Administrator, Trustee, etc., etc., than companies that are legitimately confining themselves to the performance of duties primarily and specially devolving upon trust companies, fault might not be found with the improper and misleading designation of "trust" companies. So long as they are not entrusted with the management of estates and the investment of trust funds it perhaps would make little difference with a discerning man in the appointment of an Executor and Trustee. Unfortunately, however, with the marvellous growth and prosperity of the country, we have reason to believe that many of these companies are using their charter powers in the flotation of land schemes and other purely speculative transactions of a more or less doubtful character, which undoubtedly will result in loss to many people who can ill afford to lose even the small sums that they are placing in such transactions.

So long as the Dominion and Provincial Governments cannot see their way to place more drastic restrictions on the work and duties of "trust" companies—so designated—I shall consider it my duty to place my views before the public. Speaking for The Toronto General Trusts Corporation, I again repeat the unalterable decision of this Corporation to rigidly confine itself to purely trust and agency business, and the investment, either as agent or guarantor, of funds committed to its care, but only in securities authorized by the Trustee Investment Act, unless otherwise directed by the investors, together with the transaction of other business of a purely fiduciary character.

Before closing, I have much pleasure in expressing my appreciation of the excellent services rendered by the Advisory Boards of the Corporation at Ottawa and Winnipeg, and also the faithful performance of the duties devolving upon the respective members of the staff of the Corporation, both at the Head Office and its Branches.

AUDITORS' REPORT.

We, the undersigned, beg to report that we have made a full examination of the books, accounts and vouchers of The Toronto General Trusts Corporation to the 31st December, 1912, and find same to be correct and properly set forth in the above Statements of Profit and Loss and Assets and Liabilities. We have examined, and find in order, all the mortgages, debentures, bonds and scrip of the Corporation, as well as those negotiated for the Supreme Court of Judicature for Ontario, and Trusts, Estates and Agencies in the Corporation's hands, and we have checked same with the mortgage and debenture ledgers and registers. The bankers' balances, after deducting outstanding cheques, agree with the books of the Corporation.

We have also examined the reports of the auditors of the Winnipeg and Ottawa Branches, and find that they agree with the Head Office books.

R. F. SPENCE, F.C.A., "Can." }
GEO. MACBETH, } Auditors.
Toronto, January 27th, 1913.

The Report was unanimously adopted.

The report of the Inspection Committee, as signed by the Hon. J. J. Foy, Sir Aemilius Irving and Mr. Hamilton Cassels, K.C., was also adopted.

The following Shareholders were elected Directors for the ensuing year:—W. R. Brock, Hamilton Cassels, K.C., Sir Wm. Mortimer Clark, K.C., Hon. W. C. Edwards, Hon. J. J. Foy, K.C., M.P.P., Sir John M. Gibson, K.C., A. C. Hardy, John Hoskin, K.C., LL.D., Sir Aemilius Irving, K.C., Hon. Robert Jaffray, J. W. Langmuir, Major R. W. Leonard, Thomas Long, W. D. Matthews, Hon. Peter MacLaren, J. Bruce Macdonald, Hon. Sir Daniel McMillan, K.C.M.G., Sir Edmund Osler, M.P., Hon. Featherston Osler, K.C., J. G. Scott, K.C., Sir Edmund Walker, D. R. Wilkie.

At a subsequent meeting of the Board of Directors Hon. Featherston Osler, K.C., was re-elected President, and Hon. J. J. Foy, K.C., and J. W. Langmuir, Vice-Presidents.

The Inspection Committee was re-elected, namely, Hon. J. J. Foy (Chairman), Sir Amelius Irving, K.C., and Hamilton Cassels, K.C.

The following members were elected to the Advisory Board of Ottawa and Winnipeg:—

Ottawa—W. D. Hogg, K.C. (Chairman), Sir Henry N. Bate, George Burn, Capt. J. L. Murphy and Hiram Robinson.

Winnipeg—Hon. Sir D. H. McMillan, K.C.M.G. (Chairman), Hon. D. C. Cameron, W. H. Cross, A. L. Crossin, H. H. Smith, and Frederick T. Griffin.

THE CASE FOR THE BANKS.

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Mr. CURRIE